Chemistry for the Postwar (p. 13)

THE FINANCIAL POST

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The Nation's Business

Sask. Socialists Start Mass Propaganda Plan

On page 13 of this issue, we report the Saskatchewan plan for adult education. This CCF undertaking is highly significant, not only for Saskatchewan, but as a demonstration of the principles and techniques the CCF would undoubtedly like to try on a national scale.

This project is under the direction of Watson Thomson, a socialist imported from the University of Manitoba. His name is familiar to many Canadians who heard his talks over the Canadian Broadcasting Corporation.

Mr. Thomson is now mobilizing a province-wide machine to "educate" the Saskatchewan people on matters of public affairs, business and society generally. Group leaders under Mr. Thomson are to be scattered around the province to carry out this "educational" work with the help of government pamphlets, motion pictures, and travelling libraries. Advertisements for these group leaders are currently running in left wing periodicals in Canada and the United States.

Listed in these advertisements as "chief qualifications" for candidates are: "Social vision, psychological and sociological good sense, belief in 'the people,' and in social change."

Mr. Thomson's interview with a Financial Post writer and his statements to other people suggest very strongly that, under his direction, adult "education" in Saskatchewan is going to take on a very new meaning so far as Canada is concerned.

In the totalitarian countries, Germany, Italy and Russia, we have long been aware that mass education has been directed to winning and maintaining support for the ideas of the political party in power; that education was regarded, not as an exploration of all available facts, but as the preaching of a special interpretation of certain facts; in short, propaganda.

Watson Thomson readily admits that he feels no obligation in educational work to present more than one side of a question.

Asked if it were his intention to present both sides of a question, such as banking or wheat marketing or any other subject on which controversy might arise, Mr. Thomson replied: "If I found a whole community feeling that there was only one side to such a question, I would not feel it my duty to bring up any other view."

Whether that would hold true if a community held views contrary to those of Mr. Thomson is being widely questioned. A vociferous debater and passionate exponent of the wrongs of the present social setup and of the rights, in general, of socialist and communist blueprints for Utopia, Mr. Thomson has never been known to keep silence where he detects anywhere around him disagreement with his own views.

The cost of this mass propaganda is to be borne by all the people which, in this case, promises to be just the same as if public funds were to be spent for the propagation exclusively of the views of one religious sect.

Canadians would do well to look carefully at what the Saskatchewan people have got themselves in for. The evidence strongly indicates that they are in for a mass propaganda drive of the Goebbels variety, in which they are going to be given that special set of facts and that special interpretation of those facts which suits the government in power.

No one should have any surprise at this development. It is entirely in line with announced CCF policies. The use of such totalitarian techniques is necessary for a party which must, by the very nature of its principles and aims, stifle and destroy those in opposition to its policies and which must seek to establish itself as the absolute and permanent government.

* * *

Let's Present a United Front Abroad

The Financial Post has long felt and argued that when Canada's Prime Minister attends important international conferences, he should take along with him the leader of His Majesty's loyal Opposition. This would have the advantage of educating the Opposition leader, help give continuity to our national policies and help us present a united front to the world.

In the crucial conferences ahead of our national leader, we think this more than ever important. The issues to be faced and dealt with are far too grave to justify anything but the very greatest care, both in planning our representations to the other nations and in carrying behind them the full weight of Canadian opinion.

The United States sets a good example on this. Its delegation to the San Francisco conference April 25, at which a world security plan is to be drafted, includes ranking Republican members of Congress.

Republicans were also included in the U. S. delegation to the Bretton Woods conference. By their attendance, they had the opportunity of getting a good education in the problem to be solved, in the difficulties involved, in the facts and implications of the proposed agreement. The level of Congressional debate is sure to be much more intelligent when this subject comes up; debate on the terms of the agreement will have less partisan heat and more national-interest light.

Mr. King is a very strict theoretician on the procedures of parliamentary government. In line with his theories, he tackles international conferences himself—on a party-in-power basis.

But as a practical present-day policy of good Canadianism, we think that for the momentous conferences just ahead, it would be wise and beneficial if the Opposition were to be included in the Canadian delegations.

* * *

Timber Plea Merits Action

The timber industries of Canada have done themselves and the country a valuable service in having got together for the first time on a nationwide basis and consolidating their views as to a wise national timber tax policy.

The brief presented last week in Ottawa by Robert McKee, chairman of the so-called Winnipeg Conference Committee, puts into simple and approved form an expression of view that has long been absent. It may well be argued that the failure of the industry to compose its own mind on suitable reform of timber tax laws is, in part at least, responsible for the present deplorable state of those laws.

As the industry has pointed out, both the mining and the oil industries are now receiving tax consideration which is withheld from timber. Yet all three are "extractive industries" and special tax concessions made to one should be paralleled by equal consideration to the others.

It requires no royal commission to adjudicate the merit of this particular tax problem. Ottawa should give its answer as quickly as possible.

Aluminum Operations To Stay Low

Despite Resumed U. S. Buying, No Step-up in Production Likely in Near Future

By DWIGHT L. MOODY

MONTREAL—Aluminum Co. of Canada, Canadian operating subsidiary of Aluminium Ltd., is now working on resumed orders from the United States Government, but there has been no change in production rate at the plants—nor is there likely to be, in the near future at any rate.

Operations at the Canadian plants average not much over 30% of capacity, as against 100% operations a year ago. But this production rate is considered ample, in light of present stockpiles and despite recently increased demand. Actually, if there hadn't been the stepup in U. S. armament production and corresponding increased demand for aluminum, following the recent military setback in Europe, the Aluminum Co. of Canada would have continued gradually to whittle down production from even the present reduced rate.

Early last year, stockpiles were mounting high at Arvida. In anticipation of lessened demand for war purposes, the Canadian aluminum company started in the spring to reduce the production rate. Late in August the U. S. Government announced suspension of acceptance of further deliveries of Canadian aluminum (with 250 million pounds still contracted for and undelivered), and then, in November the United Kingdom announced it would require less aluminum than it had been taking. In view of these developments, reduction in operations continued progressively, and further cuts were scheduled this year.

See 30% Rate Into Summer

Following resumption of the U. S. contract, present indications are that operations can be continued at around existing levels well into the summer — subject to possible changes in military developments and war needs, which might result in either increase or decrease in aluminum production.

From the standpoint of earnings of the parent company, Aluminium Ltd., outlook for this year has been brightened by resumed deliveries to

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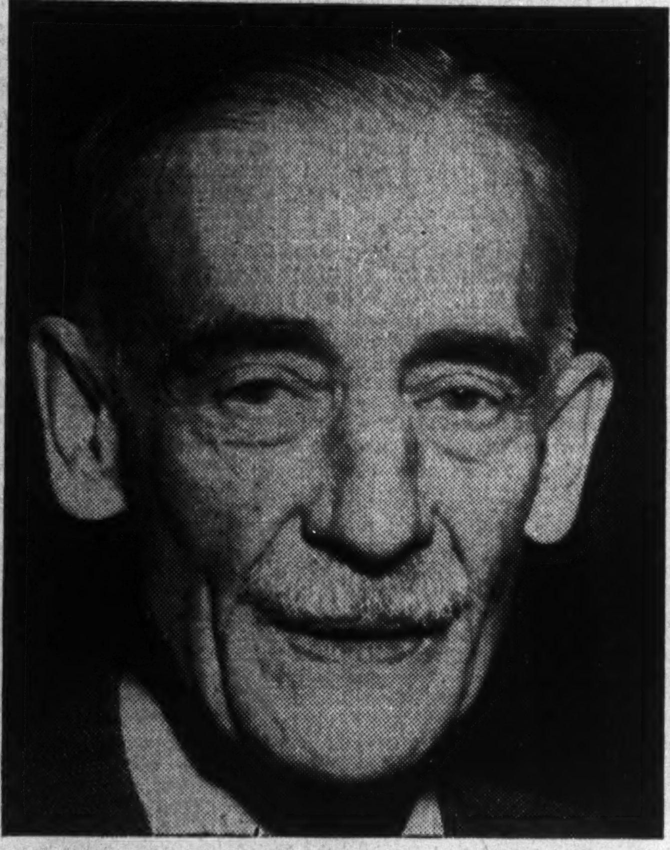


ENGINEERS' PRESIDENT

Edward Phillips Fetherstonhaugh, dean of the faculty of engineering and architecture at the University of Manitoba, becomes president for 1945 of the Engineering Institute of Canada and is at the same time recipient of the Institute's Julian C. Smith award for "achievement in the development of Canada." Dean Fetherstonhaugh, tall and military at 65, was born in Montreal, graduated in electrical engineering at McGill University, lectured there and served the Westinghouse Co. before joining the University of Manitoba. He went to France in World War I as a major of field engineers, won the Military Cross and became lieutenant-colonel.

Some Doubt Value of New Air Routes

While Many of New Routes Useful, Others Said Less Beneficial to Canada

By STAFF WRITER

OTTAWA—Under an agreement made with the U. S. recently at New York, Canada gets the right to operate eight air services into the U. S. The U. S. gets the right to 15 air services into Canada.

The 1940 agreement, now wiped out, gave Canada two trans-border services, the U. S. some eight or nine.

The U. S. Obtains Rights to Fly:

1. Boston to Moncton.
2. Boston to Montreal.*
3. New York (or Boston) to Quebec City.*
4. New York to Montreal.
5. New York to Ottawa.*
6. Washington to Montreal.*
7. Washington to Ottawa.*
8. Buffalo to Toronto (2 services or routes).*
9. Fargo to Winnipeg.
10. Great Falls, Mont., to Lethbridge, Alta.
11. Seattle to Vancouver.
12. Seattle to Whitehorse (2 routes).*
13. Fairbanks to Whitehorse.*
14. Detroit to Windsor.

Canada Obtains the Right to Fly:

1. Halifax to Boston.*
2. Toronto to New York.
3. Toronto to Cleveland.*
4. Toronto to Chicago.*
5. Port Arthur to Duluth.*
6. Victoria to Seattle.*
7. Whitehorse to Fairbanks.*
8. Windsor to Detroit.

*Indicates new route or service.

There is sharp disagreement in appraisal of the deal, and in acceptance of Hon. C. D. Howe's claim that Canada should be very well satisfied indeed with this settlement.

Confirming Mr. Howe's judgment is the view that the routes allotted Canada represent in some cases most important traffic lines in the future.

It is claimed for instance that the New York to Toronto run will be the short, fast route for traffic to Russia and the Orient, "draining" the biggest traffic producing area in the U. S. Likewise, it is claimed that the Chicago-Toronto run will

(Continued on page 2, col. 6)

Ottawa Figures Reveal Status of Farm Taxes

Assessment for Income Taxation Increases Sharply, But Still Constitutes Less Than 1% of Income Taxes Collected from Individuals

By KENNETH R. WILSON

OTTAWA—The number of Canadian farmers now making income tax returns has very sharply increased, The Financial Post is informed. Unofficially it is learned that last year almost 25,000 farmers paid income tax. This compares with about 3,500 in the tax year 1942-43.

This 25,000 figure would indicate that perhaps 1% of all individual income taxpayers are now farmers, as against .56% for the 1942-43 tax year.

As expressed by a man here in position to know, there has been in the past a "most disappointing" rural response to the annual command of His Majesty's Government for a tax return on the part of every citizen earning over and above the statutory exemption.

Various attempts have been made to get better response but it is generally recognized that the special problems of farm bookkeeping make compliance with present regulations very difficult.

Committees have been working to improve the tax forms. A certain amount of "averaging" has been introduced as a new principle in the Canadian tax structure. Inspectors have been busy, throughout western Canada especially, checking on the distribution and expenditure of the vast sums of money which have poured into farmers' hands in the past year or two, either by way of government subsidy or by way of increased income due to war conditions.

Complete, accurate figures as to just how many farmers in Canada do pay income taxes, are about as hard to find as hen's teeth.

For one thing, the Income Tax Department itself is away behind in releasing up-to-date statistics. Just why, no one seems to know.

It is known that fairly up-to-date figures are available in the department itself, but for some reason or other these are being hid under a bushel of official secrecy. Time was when the income tax department published a complete report on its operations about once a year. Yet the last report was published sometime in 1943 and covers only a tax year considerably behind that date.

Here is the rural tax picture for recent years as now revealed to The Financial Post.

INDIVIDUAL INCOME TAX COLLECTIONS

Tax Year	No. of Agrarian Taxpayers	% of All Taxpayers	Taxes Paid or Assessed $	% to All Taxpayers' Payments
1936-37*	921	.42	76,395	.22
1937-38*	1,000	.42	78,081	.19
1938-39*	1,309	.49	124,836	.27
1939-40	1,721	.59	151,549	.29
1940-41	1,869	.62	204,319	.39
1941-42	1,488	.38	150,103	.27
1942-43	3,569	.56	440,212	.38

*Note: The figures for the first three years are not strictly comparable with those of the last four years. This is because the basis of returns has been changed from that of taxes "paid" to taxes "assessed." Returns in the last four years are on a taxes assessed basis.

Farm census figures show there are about 730,000 farms in Canada. But this figure contains a lot of duplication. For income tax purposes, it is probably nearer the truth to say that there are about 670,000 farms, operated by individuals, which might be considered potential prospects as taxpayers. But right at once this figure itself must be pared down.

Agricultural experts use a rough rule of thumb to the effect that one third of Canadian farms are below the "breaking even" point. Another third are normally rated as about covering expenses but making no "profit." The final third are thought normally to make money.

This would be in "normal" times. In abnormal times like the depression thirties, the profit-making

(Continued on page 2, col. 3)

75% of Surplus Material Unsalvageable--Carswell

Calgary Aircraft Bonfire Signals Extended Program of Destruction — Disposal of Plants Gets New Discussion in U. S.

Realization has grown that destruction will be the fate of more surplus war goods than are salvageable for resale.

Public pondering, occasioned by news last fall of U. S. Army "junk piles on the Alaska Highway," was reawakened this week by Calgary's "million dollar bonfire" at RCAF No. 10 Repair Depot. Airframes of ancient Oxford, Harvard and Avro-Anson trainers from Albert flight schools had fed the flames. The Calgary Albertan reported belief at least 100 planes are to be destroyed in the current program after stripping of usable engines, instruments, other salvageable materials.

Thus, technical obsolescence, deterioration, and civilian unsuitability have combined to advance the day of the torch, even while production schedules on newer types of equipment are being stepped up for current offensives on both sides of the world.

Prompt statements were forthcoming from J. B. Carswell, president of War Assets Corp., and his assistant G. H. Lash.

As much as 75% of Canada's war goods will have to be destroyed when peace comes, Mr. Carswell told a meeting of directors of the Canadian Weekly Newspapers Association. But he added: "When we start to destroy we shall do so intelligently and only after exhaustive tests." Mr. Carswell mentioned specifically "millions of dollars' worth of obsolete training aircraft . . . 1,000-h.p. Rolls-Royce aircraft motors deemed obsolete but made of so many different metals as to be unsuitable for the melting pot . . . vast quantities of explosives."

G. H. Lash said in a press statement at Montreal next day that outmoded 100-lb. air bombs had been dumped into the Gulf of St. Lawrence last fall; that the present Calgary "bonfire" is an intelligently planned effort to dispose of unairworthy planes; that $25,000-$30,000 tanks later might bring $150 each as scrap; that when service clothing becomes a big surplus much of it will be unravelled for remanufacture.

Plants U. S. Worry

In the United States, meanwhile, the question getting renewed discussion is, not surplus munitions but disposal of Government-owned munitions plants and tools. The International Statistical Bureau Inc., New York, this week released its finding that "More than half of the $15 billions federal investment in plant and equipment will be written off the books because it is

(Continued on page 2, col. 6)

Sask. Labor Law Goes Into Action

From Our Own Correspondent

REGINA—First charge of "unfair labor practices" laid under Saskatchewan's new Trade Union Act was filed here against Chief Constable M. J. Bruton, Regina City Police, by the Regina City Policemen's Association, Trades and Labor Congress affiliate. It asked an order forcing Bruton to meet the union's representatives. The union has been recognized as the policemen's bargaining agency.

Bruton was called before the Saskatchewan Labor Relations Board which heard evidence and decided to make recommendations to the Regina City Police Commission. A decision will be made next Monday.

The Board allowed P. Haffner, Trades Congress organizer, who was instrumental in organizing the policemen's union, to retain his position as a member of the Labor Board during discussion of the charge.

Canada to be Host At Russian Deal

By STAFF WRITER

OTTAWA — Now that agreement has been reached between Russia, Britain, United States and Canada on the terms of the Fourth Russian protocol, the formal ceremony at which all nations will sign this protocol will take place at Ottawa within a few weeks.

The Fourth protocol covers the 12-month period up till July 1 of this year. Previous protocols have been signed at London, Moscow, and Washington.

This year it is Canada's turn to be host, in recognition of the important contribution made by this country toward the United Nations effort and through the Canadian Mutual Aid provisions.

Civil Service Pay Rates Scheduled for Revision

Salary of $12,000 for New Trade & Commerce Deputy Minister Regarded as Part of Plan to Attract, Keep Top-flight Men for Government

By STAFF WRITER

OTTAWA — Almost unnoticed hereabouts is the very significant fact that Canada's new Deputy Minister of Trade and Commerce, M. W. Mackenzie, is being paid $12,000 a year.

His predecessor, Dana Wilgress (now Ambassador to Russia), was paid $9,000. Only one other deputy minister in Canada (Dr. W. C. Clark, deputy minister of finance) gets as much as $12,000.

Other senior department officials such as Norman Robertson (External Affairs); Arthur MacNamara (Selective Service); C. Fraser Elliott and David Sim (National Revenue); Charles Camsell (Mines and Resources); G. K. Sheils (Munitions and Supply) get $10,000.

Arnold Heeney, Clerk of the Privy Council, gets $9,000, and E. H. Coleman, Under-Secretary of State gets but $8,000. One or two deputy ministers in other departments earn less than $8,000.

This $12,000 salary for Max Mackenzie is of threefold importance:

It means that the Department of Trade and Commerce has been moved into the very front rank in importance and prestige.

It means that under the $12,000 salary paid Mackenzie, there will be room for several other high-grade appointments—which would hardly be possible under the old $9,000 peg for the top man.

It means also that a major review of deputy minister and civil service salaries (long overdue) will be made as soon as the removal of wartime salary control permits.

In setting the new salary it is understood the Government acted chiefly on the argument that unless the salary of this office was made commensurate with its projected importance in postwar trade, and unless there was room to create a number of very well-paid jobs underneath that of the deputy, then little could be accomplished by way of reorganization and improvement.

There are few substantial salaries at Ottawa. The auditor-general, Watson Sellar, gets $15,000. Chairman of the Tariff Board, Hector McKinnon gets $12,000. Graham Towers is reputed to be receiving $30,000 a year as governor of the Bank of Canada, with Donald Gordon getting $20,000 as deputy governor. C. F. Elderkin, new inspector-general of banks, gets $15,000 and so does Dean C. J. Mackenzie, president of the National Research Council. J. A. Cross, chairman of the board of transport commissioners, is paid $12,500.

What is now realized is that if Ottawa is to retain the quality of official that has been available during the war, and if the key civil service jobs are going to have an important appeal to these men in competition with private industry, then a reclassification of civil service salaries is essential. The Mackenzie appointment gives the first real clue to what is planned.

Throne Speech Indicates Further CCF Ventures

Saskatchewan Government May Run Buses, Fly Planes, Enter Lumber Business and Operate Cold Storage Plants

From Our Own Correspondent

REGINA—A move to plunge into a fresh field of business, that of transportation, was disclosed in the Throne Speech at the Saskatchewan Legislature opening here.

The Douglas Government gave notice that it would set up a transport board, not for supervisory duties, but to operate a business of carrying passengers and freight by plane, truck and bus.

Also forecast were ventures into the timber business, the cold storage business and expansion in power.

In the seven months it has held office the CCF Government has already entered the businesses of furs, brick-making, woof manufacturing, printing, and purchased a power company. Projected but still in operative are plans for fish filleting, a provincial box factory and an insurance branch.

A CCF Bus Line?

Indications that the transportation business looks good to the Government have been evident in the past few months. The Government bought a plane for natural resources departmental work. At the time of purchase it was said the Government intended to enter the airline business. Hints that it might buy the M. & G. Aviation Co. of Prince Albert, however, were denied.

The Government has already made one move to buy up a bus line, the Greyhound Buslines, operated in Saskatchewan by Chicago capital. The line was reluctant to sell. Negotiations stalled. In the meantime the Federal Government relaxed its bus travel restrictions so that the bus line could operate on an interprovincial basis. As this brought the bus line under federal supervision and greatly complicated Saskatchewan's purchase, the Provincial Government dropped the matter. But government ministers then flatly said the scheme was just being postponed.

The throne speech also forecast passage of a natural products marketing act, which will empower it to set up marketing boards to deal with promotion, regulation and control of "certain" natural products.

What these products will be remains unannounced. But there is fair ground for belief that one of the first will be forest products. Natural Resources Minister J. Phelps has already indicated possibility of forest products control. Soon after he took office Phelps talked things over with timber operators.

It is known the Government is looking ahead to the anticipated big postwar building boom. It has already bought a brick plant at Estevan with this in mind, and it is not unreasonable to believe the

(Continued on page 2, col. 5)

Quebec Co-op Hearings Stress Social Aspects

From Our Own Correspondent

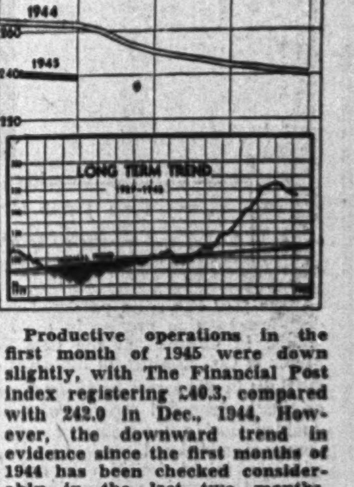
MONTREAL—Quebec briefs before the Royal Commission on Taxation of Co-operatives have generally followed the Ontario pattern with more emphasis on the social side of co-operation. This was in sharp contrast to the big business-ness type of grain, dairy and livestock pools, where growing volume of business was the common yardstick used to measure their importance before the western hearings of the McDougall Commission.

In Montreal as in Toronto and Ottawa other aspects of co-operation are stressed, the opening up of new markets in pioneer districts, the banding together of isolated groups of farmers to improve their living conditions. In most briefs competition with private business is distinctly soft-pedalled.

The brief of the Quebec Fédérée, wholesaler for local co-ops with a total membership of 34,000 and a turnover of about $37.6 millions last year, was a typical example. This argued against taxation of co-ops not so much on legal or economic grounds but because they represented a social movement. However, on that very ground co-operation was attacked in a French-language brief presented by the LaSarre Chamber of Commerce. This northern municipality showed little objection to the dollars and cents end of co-operation, but very much to its social character. The LaSarre brief described the movement as socialist and argued that it had a deadening effect on individual enterprise, that it led people to look, via the co-operative, to the Government for help instead of digging in themselves.

To the charge that patronage dividends held indefinitely by a co-operative for working capital and expansion should be taxed, one spokesman for a Quebec co-operative asked a representative of a group of private dairy companies how else could co-operatives finance themselves. "You can borrow from the banks or sell shares just the same as any private company," was the reply, an answer that was repeated by Chairman McDougall, when the questioner did not seem to grasp it.

Pace of Business



Productive operations in the first month of 1945 were down slightly, with The Financial Post index registering 240.3, compared with 242.0 in Dec., 1944. However, the downward trend in evidence since the first months of 1944 has been checked considerably in the last two months. Buoying up the index were recovered mining operations, greater activity in flour milling and the cotton textile industry, increased creamery butter output, considerably increased newsprint output. Secondary iron and steel showed further recession. Retail sales were somewhat lower after seasonal adjustment, but a gain was shown in distribution through wholesale outlets.

TOPCOATS . . . HARBINGERS OF SPRING

Colourful Tweeds are slated for popular acclaim . . . herringbone patterns and neat Glen Checks with the most appeal in design. Of course, the general style trend is loose fitting and just-below-the-knee in length. Easy going Raglans . . . box type slip-ons featuring Balmacaan or swagger collars with fly fronts. Add to this, the minority preference for fitted styles and you have the complete picture.

Your Spring favourite will be ready for a try-on when you visit an Eaton men's shop.

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THERE IS NO LIMIT TO IMPROVEMENT

'Mercy Fund' for Manitoba Motor Law Is Subject of Sharp Controversy

From Our Own Correspondent

WINNIPEG—Legislation designed to ensure that traffic accident victims shall not suffer financial loss as well as injury has been introduced in the Manitoba Legislature.

Core of the scheme is a "mercy fund" from which would be paid claims arising from accidents in which persons were killed or injured and the motorist responsible was financially unable to meet the claims.

The so-called "mercy fund" would be established by a levy, not exceeding $1, on all motorists in Manitoba. No definite figure has been set for the levy; but it is expected that it will be $1 for the first year or until a sizable fund is established, then will be reduced or done away with altogether.

Take Action Through Courts

Under provisions of the bill, contained in amendments to the Highway Traffic Act, a person suffering damage or injury in a traffic accident would seek recourse through the courts in the usual way.

In the event of the court awarding him damages, and the defendent being unable to pay, the award would be paid from the government-established fund.

Another amendment would authorize the issuing of cards to automobile drivers carrying public liability insurance. In a traffic accident resulting in damage or injury, the drivers would be called upon to show whether they had such cards. If not, their cars could be impounded until responsibility for the accident was established.

If a driver adjudged responsible for an accident was not covered by insurance, and had no assets from which damages could be paid, he could be prohibited from operating an automobile for all time.

Accident Fund Hits Motorist View of Auto & Insurance Men

In automobile and insurance circles the main controversial point in the new Manitoba automobile financial responsibility legislation is the unsatisfied judgment or "mercy" fund.

While the motive behind the idea —to ensure indemnity for innocent victims of a motor accident where the offending party has no insurance and no financial resources of his own—cannot be questioned, three objections are seen:

1. It is a hardship to ask motorists who have already paid for insurance protection to pay an extra $1 on behalf of motorists not financially responsible.

2. It means the entry of the government into the actual insurance business — a step which may have far reaching effects.

3. Money collected for an unsatisfied judgment fund may be diverted to other purposes. It is contended the gasoline tax now levied in all provinces was originally intended to pay for highway improvements but has since been used for any purpose that may need money.

In some quarters it is felt the collection of the fee may bring a general demand for compulsory insurance, a plan rejected in Ontario some years ago as not in the public interest. With the judgment fund clause deleted, it is believed the remaining sections of the act would cause the majority of uninsured motorists to take out insurance.

Objection is also taken to the clause providing that the vehicle of any motorist unable to show a financial responsibility card would be impounded. This it is felt might result in great hardship to an innocent party.

The legislation is the result of an effort to find a balance between two difficult requirements: first that an accident victim be saved from suffering heavy financial loss and, secondly, that the remedial measure should not result in carelessness on the road.

The bill has met a mixed reception so far. The Manitoba Motor League, which ordinarily proposed the issuance of insurance coverage cards, approves the legislation as a whole. It contends, however, that the "mercy fund" should be administered in such a way that the injured party could be indemnified immediately. It suggests the fund be administered, with that end in view, by the Public Utilities Board.

The Winnipeg Tribune says editorially that the bill presents a "clumsy, partial and roundabout" solution to the problem. "The prudent motorist is to be compelled to pay in advance for the misdeeds of the imprudent; with the money so mulcted the province proposes to set up a relief fund . . . The procedure should be quite simple. Before issuing a motor license, the province should demand proof of financial responsibility covering the period during which the license is valid . . . Either proof of financial responsibility or no license."

Some Criticize Air Lane Deal

(Continued from page 1)

be the direct, fast route from the whole middle-west to Europe.

Admittedly, these are longer-term considerations but are being given weight.

The Whitehorse-Fairbanks run for Canada is regarded as pointing very directly at Ottawa implementing its long-standing threat to take over Canadian Pacific Air Lines' Yukon-southern territory of which the Edmonton to Whitehorse section is crucial in an international airline operation.

Few of the other transborder runs allotted Canada are seen as having much present or potential importance.

The Port Arthur-Duluth run doesn't seem very promising once the traffic in war planes from the Fort William plant falls off.

The Windsor-Detroit run is regarded as of little present value. Since 1940 Canada has held this run, but has never used it. The landing field nearest the heart of downtown Detroit is the Windsor airport.

The Toronto-Cleveland run and the Victoria-Seattle run are not regarded as of more than secondary importance.

On the other hand, it is felt that runs granted to the U. S. are of very substantial present importance, almost without exception.

Apart from the case of Toronto, air traffic from most other Canadian cities (among them Montreal, Ottawa, Quebec) have been put into American hands, and Canada has acquired no return privileges in Boston, Buffalo or Washington.

Cannot Salvage Most Surpluses

(Continued from page 1)

highly specialized fabricating capacity for war production, because it is oversize or located in areas far from raw materials, labor and markets, or because its high cost bars it from competition with other capacity."

Other Bureau observations:

More than $5 billions of new Government-owned capacity and about $8 billions of new privately owned capacity may find their way into civilian production.

Much of the new Government-owned capacity is unconvertible or uneconomical. Its impact will be felt sharply, however, in the metals, machinery, chemicals and transportation industries.

Companies which added readily convertible capacity have a strong competitive advantage over firms which lacked the opportunity and which will face peacetime production with equipment well worn in the war years.

Government decisions on disposal —which ordinarily might be based on the principle of immediate sale to the highest bidder—instead may be modified by such considerations as the need to prevent unemployment, to discourage monopoly, to aid small business, to implement industrial decentralization.

Ghost towns are inevitable in newly industrialized areas unless there is Government support of continued operation.

The $50 to $60 billions of capacity of 1939, plus $13 billions of convertible war-built capacity must be kept in mind in any appraisal of price tendencies.

Ottawa Car & Aircraft Co. has declared two dividends of 25c. each, the first payable April 2 to stock of record March 1, the second payable Oct. 1 to stock of record Sept. 1. Last year, two dividends of 20c. each were paid.

Reveal Farmers' Taxes

(Continued from page 1)

third probably dropped to at least one fifth or possibly even lower. At the present time, this group has probably expanded until it represents possibly half the over-all total.

Applying this to the approximate number of farm owners in Canada, it is suspected somewhere between 220,000 and 330,000 Canadian farmers are currently making a "profit" and should therefore be at least declaring their position on income tax—even if they were to pay no tax.

Yet even the latest estimate of farm taxpayers (say 25,000) indicates that taxes were collected from 7% to 15%. (One possible explanation of some part of the "gap" would be that many farmers are currently "averaging" present profits against earlier losses.)

This then is the $64 question that looms ahead in the next few weeks and months as individual tax returns are filed throughout Canada: how many farmers will make returns or pay income tax in 1945?

One further table may be of interest.

This shows the provincial breakdown of "agrarian taxpayers" for the two final years shown in the table published earlier in this article.

Of special interst is the sharp increase in returns from Saskatchewan. It will be noticed also that the bulk of the increased tax returns came from four provinces: Saskatchewan, British Columbia, Ontario and Alberta. In each case the amount of money collected (or assessed) almost increased fourfold in each of these provinces On the other hand, the amount assessed in Quebec province dropped to less than half.

FARM INCOME TAXES ASSESSED
(Provincial Breakdown)

Tax Year	1941-42	1942-43
Provinces	$	$
P. E. I.	1,334	1,539
N. S.	....	5,690
N. B.	....	459
Quebec	13,874	5,205
Ontario	20,922	79,834
Man.	6,725	34,661
Sask	59,771	205,835
Alberta	38,155	63,113
B. C.	9,322	43,876
Total	150,103	440,212
Total all indiv. taxp's.	55,755,000	116,088,000
% Agrarian to all indiv. taxpayers	.27%	.38%

Aluminum Output To Continue Low

(Continued from page 1)

the U. S., with possibility of fairly good earnings showing despite the reduced operating rate from last year.

Up to the end of 1944, bulk of operating earnings was going into special depreciation account. These special depreciation deductions are now ended, but earnings are for the first time subject to the full impact of the Excess Profits Tax. The Financial Post estimated some time ago that with Canadian operations at only 40% of present war-expanded capacity, Aluminium could show earnings after Dominion taxes about the same as in recent years, or comfortably above current dividend requirements. With operations averaging 30% or 35% of capacity, and with the economies possible under more leisurely rather than speed-at-any-price production, the company should still be able to show fair profit margins.

New Ventures For CCF Gov't

(Continued from page 1)

timber business would be a natural twin to the brick business.

The Government has aready expanded into the power field by its recent purchase of the Dominion Electric Co. This appears to be only an initial move. The Throne Speech clearly forecast "new developments under consideration" for establishing an adequate power system for the whole province. The speech said: "Such a system is not only a necessary prerequisite for any scheme of industrial development . . . but it will also assist in establishing a program of rural electrification." A government committee is already studying rural electrification.

A hint of development in the cold storage field was also given. The speech said considerable study was being given to extension of cold storage facilities to rural and urban communities. The Natural Resources Minister has already discussed cold storage business possibilities at Prince Albert.

Trojan Gold Mines advises that blasting trench No. 5 on its Privat twp. property has uncovered visible gold. The trench is in the area where channel sampling returned values up to $21.30, it is reported.

INVESTORS' INDEX

Feb. 24, 1945

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Do You Need Money?

If so, you will want to discuss your requirements with one of our officers.

To people in all walks of life we are making personal loans, *repayable in 12 monthly instalments,* at the low cost of $3.25 per $100, equal to 6% interest per annum. There is no other charge.

BANK OF MONTREAL
working with Canadians in every walk of life since 1817

TOPS IN TOPCOATS
THE BILTON (Slip-on)
28.50 to 37.50

We believe this to be the model that will lead the parade this Spring. This coat is smartly styled and expertly tailored — its broad shoulders, its full fitting back, the slash pockets, the full sweep of the skirt, the new shorter length are all features that will meet with your approval the moment you slip into one.

Tailored by Simpson's in a wide variety of fabrics that include showerproof gabardines, Harris tweed the popular Scottish homespun, English tweeds in donegals, herringbones, checks and worsted finishes, rich mill-finished velours and a host of other popular materials. Models for all builds in a complete range of sizes. Topcoats from 28.50 to 37.50.

Simpson's
The Store for Men—
Second Floor.

A Tribute to Canadian Chemists, Engineers, and Technicians for a Notable Achievement in Research and Production

PENICILLIN MERCK

The *first* Penicillin produced commercially by the deep-fermentation process in the British Empire

The *first* Penicillin produced commercially by the deep-fermentation process in the British Empire was "Made in Canada" at the new Penicillin plant of Merck & Co., Limited, in Montreal on July 4, 1944.

Built in the record-breaking time of six weeks, the originally proposed capacity of the Merck plant was doubled during the course of construction and the necessary additional equipment was installed along with the initial facilities in order that the greatly expanded enterprise could swing into operation on the scheduled date of completion.

But the speedy construction of this new Canadian plant for the large-scale production of Penicillin would not have been possible without the background of intensive research conducted by Merck chemists, which began in the autumn of 1940 and which has been carried on continuously ever since.

The discovery, production, and clinical evaluation of Penicillin constitute a notable achievement in medicine's relentless warfare against disease, and Merck research chemists, engineers, and production technicians have been pioneers in this achievement.

Although present supplies of Penicillin are being allocated by the Government, primarily for use by our Armed Forces, we are continuing to expand production with the objective of making Penicillin Merck available for civilian medical needs as soon as military requirements have been fulfilled.

In addition to the large-scale manufacture of Penicillin, Merck & Co., Limited, are leading producers of the sulfa drugs, vitamins, prescription chemicals, and numerous other products used by the Armed Forces, by the professions, and practically every branch of industry.

MERCK & CO., LIMITED, *Manufacturing Chemists*
MONTREAL, QUEBEC

THAT DIPLOMA IS WORTH $72,000 TO YOUR BOY

While the actual value of a University degree is beyond the measure of money, authorities have estimated that the average total income of a University graduate in a lifetime is $136,000.00 against only $64,000.00 by the person without the benefit of more advanced education.

Yet, many boys and girls are deprived of the benefits of a University Education—not because they have not the mental capacity to absorb a higher education, but because their parents cannot afford it.

Make Sure Your Child is Given This Opportunity

The Educational plan offered by Investors Syndicate of Canada Limited will help you to give your boy the opportunity in life you want him to have. This plan is built to your own specifications, and is as flexible as it is sound. Already thousands of parents are using it to assure their children of a University Education. Your first step is to write for details of the plan today. There is no obligation.

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of Canada Limited
Head Office Winnipeg, Man

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Mail This Today!
Please let me have full information about your "Living Protection Plan"—without obligation.

INVESTORS SYNDICATE OF CANADA LIMITED
601 Concourse Bldg., Toronto, Ont.

Name ....
Address ....

These bonds having been sold, this advertisement is published for record purposes only.

Refunding Issue

$950,500

United Towns Electric Company
Limited

First Mortgage Sinking Fund Bonds
4% Series due 1965

Dated February 1st, 1945, maturing February 1st, 1965. Principal and semi-annual interest (February 1st and August 1st) payable in lawful money of Canada at the principal offices of the Company's bankers in St. John's, Newfoundland; Montreal; Toronto; Saint John or Halifax. Coupon bonds in denominations of $1,000 and $500, registrable as to principal. Redeemable as a whole or in part at the option of the Company at any time on thirty days' notice at a premium of 3% up to and including January 31st, 1950, the premium each year thereafter decreasing 1/5 of 1% until January 31st, 1964, and thereafter without premium; in each case with accrued interest.

Trustee: Montreal Trust Company.

Price: 100 and accrued interest

Royal Securities Corporation
Limited

Montreal Toronto Halifax Saint John Quebec Ottawa
Winnipeg Vancouver Hamilton Calgary St. John's, Nfld.

How to Start Your Own Business

A Post Series of Articles on How to Succeed in "Small Business"

Can I Win in the Country?

ARTICLE XVII

By ROSS BAXTER WILLIS

R. B. Willis is acting head, Department of Business Administration, University of Western Ontario, and has been assistant director of WPTB's Management Service Division, a bureau whose chief job has been to assist the small businessman in solving wartime problems. Those clipping and keeping the series will note that this installment, article XVII, is out of its proper order. Next week, article XX will conclude the series.

(Copyright)

Some readers of this series may complain that the trades discussed are essentially those of the urban centre—that the country general store has been neglected. And unquestionably many of you are going to contemplate this type of operation because of your background, or a wish to return to an agricultural community.

After all, aren't country general stores the third most numerous group in Canada, with 9.1% of all retail outlets (11,990 establishments) in 1941? Did not their sales for that year amount to $199 millions, 6% of all retail sales?

Canada's rural communities are still the backbone of its economic life and the trend to decentralize and escape the congestion of the bigger cities may serve to check the exodus from the farm and rural community which has been under way so long.

A country general store has much to commend it.

If successful, your store becomes the focal point of the community—of a good portion of its social life. You are in an admirable position to become one of the most respected individuals in the community, an expert in anything from feeding infants to serving as the Dorothy Dix of the area. In the final analysis, are there not certain tangible values in any business beyond those connected purely with the profit concept?

You can sell almost anything in a country store.

Although the country general store has declined in relative importance, there always has been and always will be a place for the aggressive, efficient operator. You are on the spot, one of the community, and if you are not in a position to know its needs, no one else is.

The familair argument about the transportation advantage of the "city fellah" need not be taken as seriously as many would have you believe. You have many offsetting factors—generally much lower real estate costs, expenditures for fixtures and display, cheaper help and a lower cost of living yourself. And some freight equalization is offered by many suppliers. Remember, too, that a great many country general stores enjoy well over $100,000 a year business volume and thus enjoy reasonable buying power.

Urban competition has been and always will be met by the efficient operator. You have the goods on hand—your customers have to wait if they wish to get them from the city. And you can meet urban prices in many lines.

You can emphasize almost any group of lines depending upon the needs of your community and switch your emphasis from time to time to meet changing conditions. You can concentrate on groceries, dry goods, clothing, hardware, farm supplies—almost anything. You can add or subtract lines at will and you do not need to "fold up" to do it as is the case with so many more specialized trades.

Premises and fixtures provide fewer problems than in an urban location. This does not mean that you can ignore the developments taking place generally in store exteriors and interiors but your customers will not expect or appreciate the modernism of a high-grade specialty shop in a large city.

In most communities there is an adequate supply of efficient and loyal part-time help available at reasonable cost. And these people generally already know your customers well and, as a consequence, can provide a personalized service in a much more satisfactory manner than can most of the clerks in urban centres.

Many general store proprietors have done extremely well. Quite a few of them have died wealthy and hundreds of them live a great deal longer than their competitors in the larger centres.

On the other hand, as proprietor of a country general store you may face in the future even greater problems and uncertainties than this trade has faced over the past 15 years.

Your competition is not next door but miles away. And it is easy to feel helpless about the possibility of meeting that type of competition.

Gasoline rationing and difficulties of travel undoubtedly have assisted general stores very materially recently. But people have not lost the urge to shop and when travel becomes easier it is going to be fun once again, even more than in the past, to discover what is in the hills beyond.

Fundamentally, your operation is pretty close to that of a junior department store. You will have many departments to administer, serving different types of wants and in all probability you will not have the administrative staff to assist you which a store of equivalent size in the city will have. It is much too easy to try to do the complete job yourself and too few general storekeepers train capable staff assistants to relieve them of the multitude of responsibilities which go with this type of operation.

Because you carry many lines you cannot carry complete stocks in most of them. Your customers then complain that they prefer the city store or the mail order catalogue because of the greater variety offered. This complaint can be overcome but it is easy for you to accept it and succumb to the argument that your customers have to go to the city to be properly serviced.

Since you are dependent upon the prosperity of your community you may be placed in a vulnerable position if the area's economic life is dependent largely on one or two crops. Admittedly you are no worse off than the merchant in a one-industry town, but on the other hand farm folk rarely apply for relief.

Credit Can Be a Bugbear

Credit always has been a serious problem with country stores. Because you know your customers so well personally, it is difficult to be "tough" with them and to adhere to a rigid policy. They will expect from you much more generous treatment than they would dream of requesting from your urban competitor.

Advertising effectively will present many problems. You do not have the wide choice of media open to your city cousin and your basic appeals have to be considerably different. Some of the most effective media for use in rural communities are fairly expensive—one is a catalogue, and there is a good deal of work involved in properly preparing it.

But it is easy to get involved in slow-moving lines.

You may require a good deal of capital to properly establish a business of this type. It is very easy to get involved in many slow-moving lines at the outset and to fail to understand effectively the changing needs of your community.

It will take you quite a while to get established properly. If you take over an existing business your difficulties will be much simpler. A good country business, however, is not built overnight but when it is built it has a habit of becoming reasonably permanent.

For those of you who are considering a country general store there may be some value in the following points which have been used effectively by successful operators in the past.

Choose your community with care on the basis of its past record, type of crops produced, nearness to markets and service presently being offered to the community. This is going to require considerable time and effort on your part. But in this classification more than in almost any other, careful planning at the outset is likely to be rewarded in later years.

Establish at the outset a definite character for your establishment. Know in advance whether it is going to be primarily a grocery outlet, a family clothing store, or whatever it may be. Unless you have a clear objective your later efforts are likely to be haphazard.

Include as part of your initial store policy a definite emphasis on clean, neat and painted premises. The day of the cracker barrel and the mice in the window is past. There is no reason why you cannot utilize the same principles of layout and neatness which your city cousins have so definitely stressed. It doesn't cost much money and it does improve the goodwill of your customers.

Plan to be aggressive in displaying your wares within the store. Get them out of the boxes in which they came and available so that your customers can see them. Display need not be as elaborate as in a city specialty shop, but unless you show your community what you have you cannot expect them to buy it. Just as in the urban centre, customers do not appreciate a "treasure hunt" unless a few clues at least are given.

Before you sell a single thing establish a definite policy and stick by it until later events justify clearly in your own mind the necessity for a change. Blame your refusals to grant credit or extensions in payment on this policy. It is always a convenient alibi. But make certain that your policy is published clearly for everyone to see and understand.

Above everything else, install at the beginning a simple but adequate system of record-keeping and expense control. You may think you can tell from the state of the cash register, the accounts receivable ledger and the stock on the shelves how you are doing, but unless you have some actual figures your guess is not much better than anyone else's. You are operating a small department store and it will pay you to adopt the control techniques which suit such an operation.

THE ATHLONE—Comb. Last

For Men Accustomed to Fine Things

The HARTT Shoe

AT BETTER SHOE STORES ACROSS CANADA

FACTORY: FREDERICTON, N.B.

JIM was a business man—right in the thick of things. He would have known the answers to most of the financial problems now facing his widow—had he been here.

Appointment of The Trusts and Guarantee Company to handle your estate will shield your widow against the troubles and financial pitfalls that beset the inexperienced. Our accumulated experience assures efficient management of your estate regardless of the nature of your assets.

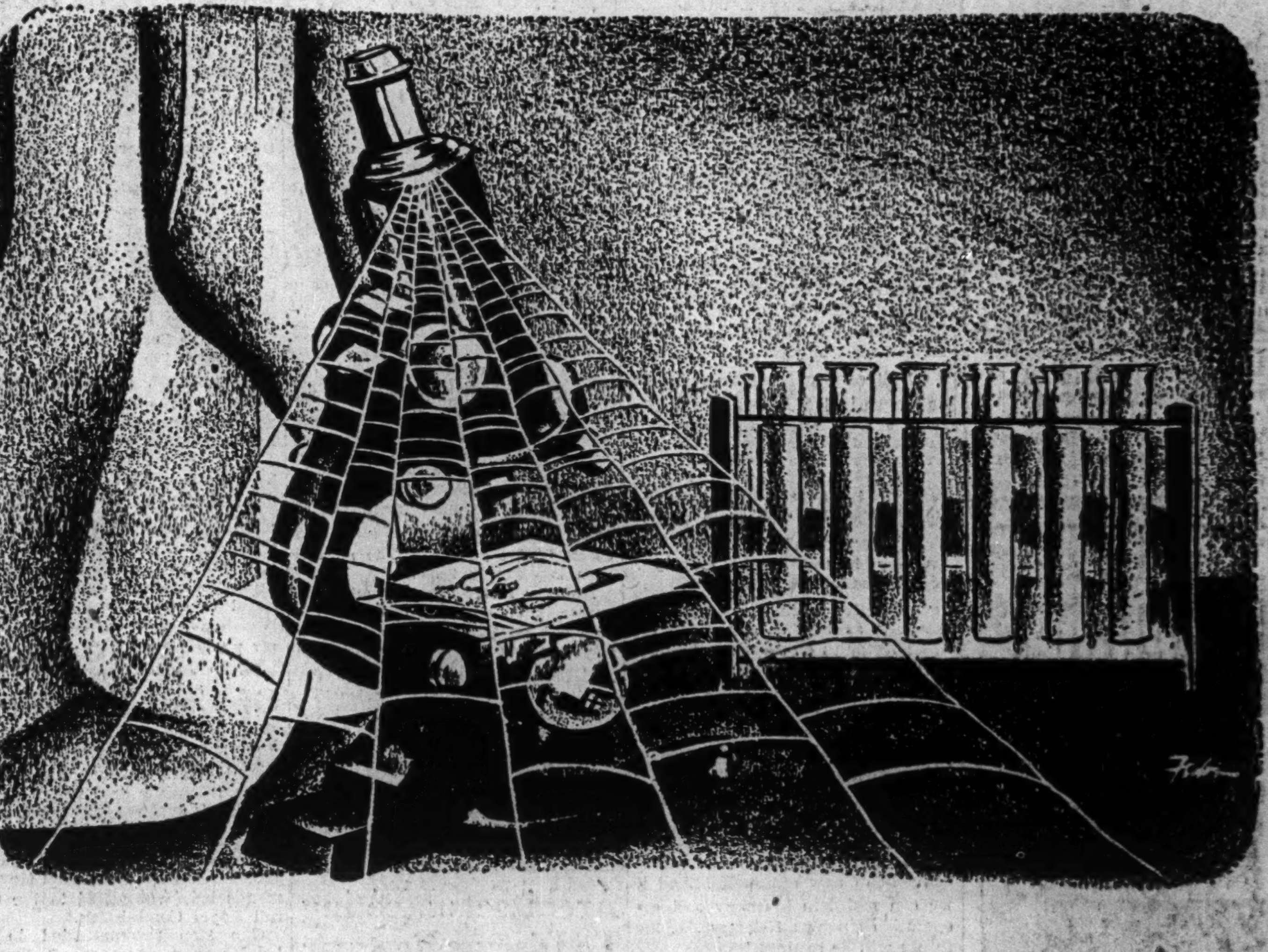
Why not drop in and discuss your plans for the protection of your beneficiaries? We have valuable suggestions to offer—no obligation on your part.

Ask for our helpful booklet: "Orderly Administration of Your Estate".

OFFICES ALSO IN BRANTFORD, WINDSOR, WINNIPEG, CALGARY

THE TRUSTS AND GUARANTEE COMPANY LIMITED

302 BAY STREET TORONTO, 1



PORTRAIT OF A MATURE ECONOMY

Some day, perhaps, all unfilled human wants will be filled, all solvable research problems will be solved, all inventable aids to better living will be invented.

When that day comes and you see cobwebs gathering in our research laboratories, then you can agree with the theorists that all our frontiers have been conquered . . . that we have reached economic maturity . . . and that our chief problem is not the production of more goods but parcelling out those we have.

Of course that day is far in the future—if it ever arrives.

If you have any doubts, how would you like to try your hand at one of these inventions?

★ a device to convert sound vibrations, including the human voice, into printed form;

★ a controllable fumigant that will destroy harmful insects but will not endanger other forms of life;

★ a synthetic process for producing carbonhydrates and hydrocarbons from the air;

★ an efficient method of transmitting electrical energy through the air;

★ a material to which ice would not adhere—for airplanes wings, windshields, highways.

That's just a bare beginning to a long list of new products and new developments that may well prove just as feasible as the miracle of radar which "sees" objects miles away through clouds or the black of night.

As long as there are problems like those to solve and men with vision and enterprise enough to solve them, there'll be no cobwebs gathing in our research laboratories . . . there'll be no end to opportunity . . . there'll be no insurmountable obstacles to our continued growth but those that timid men with no faith in our future may raise.

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Montreal — Toronto

MONSANTO CHEMICALS — PLASTICS
SERVING INDUSTRY...WHICH SERVES MANKIND

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YOU business men who have thought profits come only from factory and sales can have a pleasant surprise—*there's money to be made in your office, shipping room, administrative departments*—wherever paperwork is handled. Addressograph *simplified business methods* save paper, money, manpower and revolutionize office work by doing a hundred jobs more quickly, accurately, economically—by writing payrolls, personnel records, dividends, tax records, job tickets—by providing tool crib controls—by identifying parts and shipments—by streamlining all your paperwork with modern efficiency methods. Addressograph (and Multigraph Duplicator, made by the same Company) can eliminate errors, and save you time and money on 80% of the paperwork of your business.

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★CANADIAN FACTORY *View of section of Addressograph Assembly Department.*

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THINKING INDUSTRIALLY?
"Chatham" suggests the courtesy of its—Industrial Service Bureau. Address the Commissioner.

We Manufacture Envelopes for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Industry Not Top Employer

Over 75% of 1941 Jobs Were in Trade, Services, Farms, Mines, Fisheries

Industry, although preparing to carry its full share in maintaining employment and reabsorbing servicemen, is going to need potent partners, D. B. McCoy, general sales manager, Steel Co. of Canada, told Montreal Advertising and Sales Executives last week.

Of all men and women gainfully employed in 1941, he said, only 21% to 22% were engaged in manufacturing and construction, over 25% were claimed by agriculture and the others were occupied in mining, fishing, trade and services. He characterized as "prevalent though clearly erroneous" the opinion that industry is the largest employer. And he added:

"An active exchange of goods—domestic as well as export—is the basic factor in employment because in the final analysis it is the consumer who provides work. It becomes of the greatest consequence that Canada should be able to compete successfully for business in both domestic and foreign fields.

"The postwar problem can be solved only by wise Government action which will encourage expansion of existing industry and establishment of new enterprise. And if we can maintain harmony and co-operation among all classes . . . the future will be assured."

Two Developments Curb Unemployment at 'Peg

From Our Own Correspondent

WINNIPEG—Rise in the number of unemployed in Winnipeg, already nearing the 5,000 mark, seems likely to be checked by two recent announcements from Ottawa.

1. 500 men and 500 women workers will be recruited in Winnipeg for work in Ontario.

2. MacDonald Brothers aircraft plant, Winnipeg, will receive government contracts amounting to $3 millions.

The so-far unspecified work orders for MacDonald Bros., asked for by Premier Stuart Garson during a recent trip to Ottawa, is expected to stem the layoffs at the aircraft plant which have reached close to 500 since the beginning of the year.

MacDonald's, manufacturers of aircraft components, employed about 4,000 a year ago. The payroll now is close to 2,000.

Another factor leading to the increase in unemployed has been the seasonal layoff of 1,000 men from city packing plants, beginning in mid-February.

Altogether, Selective Service lists 2,400 men and 2,200 women looking for work.

New Jobs May Not Last

While the two measures announced by Ottawa are expected to keep the unemployed lists from mounting further, and will possibly reduce them to a considerable extent, both are considered of a temporary nature.

The announcement that 1,000 workers would have their expenses paid to Ontario for work at the Nobel explosives plant and at small arms manufacturing works, indicated that the recruits were needed only for six months.

Selective Service offices here will encourage job-applicants to offer their services, provided they will remain in the east for six months. The recruiting is on a purely voluntary basis.

However, employment officers here believe that only a broader demand for light employment in Manitoba will satisfactorily solve the present unemployment problem. Without making any specific predictions, they expect that demand to come soon.

Architects Meeting To Discuss Postwar

The Royal Architectural Institute of Canada—39-year-old council of provincial associations of architects—will hold its annual meeting in Toronto this week-end. Forsey P. Page, Toronto, is president, 1944-45.

President H. C. Nicholls of the Canadian Construction Association will discuss apprentice training for the building trades; President John W. Gooch of the National Construction Council, the current operations of that body; Prentice Bradley, Boston architect and representing the Modular Service Association, the standardization of building materials and "modular" planning for building economies.

Francis Henry Taylor, director of New York's Metropolitan Museum of Art will address the annual dinner.

EXPERIENCED TRAVELLERS CARRY MONEY SAFELY
Canadian Pacific Express TRAVELLERS CHEQUES

N.B. Asks Survey Of Coal Deposits

From Our Own Correspondent

MONTREAL—The New Brunswick Government would like to see more intensive exploration of the province's coal resources, but is opposed to opening up of new mines in the province until the production is needed and markets are assured, according to the Provincial Government's brief submitted to the Carroll Royal Commission.

One step recommended in the brief was a program of diamond drilling in the Grand Lakes Basin, sponsored by the Federal and Provincial Governments. It also was urged that the Dominion authorities undertake a survey of the large "Pennsylvania rocks" areas in the central part of the province. The need for a federal-provincial survey of water conditions around mining areas to decrease excessive underground water encountered in mining was stressed.

The New Brunswick Coal Producers' Association, in a 60-page brief, asked for payment by the Dominion Government of rail subsidies on all coal shipped from the Minto-Chipman district to points within the province. At present, subsidies are paid only on coal shipped from one province to another, such as Nova Scotia coal shipped into New Brunswick. The association also asked a subvention by the Dominion Government on New Brunswick coal shipped to port centres in such amount as might be necessary to meet competition of foreign waterborne coals.

Windsor Gas Co., subsidiary of Union Gas Co., will redeem $20,000 principal amount of its 5% first and refunding mortgage bonds, due 1966, on May 1, 1945, at par and accrued interest. Bonds outstanding at Mar. 31, 1944, amounted to $879,900, exclusive of $7,800 held by Union Gas Co. of Canada.

SALES MANAGER

Arthur H. Carter becomes manager of insecticide sales for Sherwin-Williams Co. of Canada, presaging developments by the paint company in insecticides.

Jan. Construction 33% Above 1944

Construction contracts awarded in Canada in January totalled $11.7 millions, $2.9 millions or one-third higher than January, 1944, according to MacLean Building Reports. Houses and apartments at $4.3 millions were up $0.7 million; industrial construction at $2.1 millions was up $0.5 million; engineering construction at $0.6 million was up $0.5 million; commercial, institutional and public buildings together at $4.5 millions were up $1 million.

Largest award of the month was a contract let by the Munitions & Supply Dept. to Anglin-Norcross, Montreal, for $1.5 millions of buildings at the Longue Pointe, Que., ordnance depot. Largest private award of the month was for a factory addition for Campbell Soup Co. at New Toronto, Ont., to the Foundation Co. of Ontario Ltd., at a contract price reported to be $750,000.

New Issue

The Shawinigan Water and Power Company

First Mortgage and Collateral Trust
3½% Sinking Fund Bonds Series "J"
Due February 1, 1970
Price: 100 and accrued interest

The Shawinigan Water and Power Company plans to redeem on March 1, its outstanding First Mortgage and Collateral Trust Sinking Fund Series "A" Bonds due 1967, which Bonds may be tendered in payment for the new issue.

Descriptive circular gladly furnished upon request.

36 King Street West
Toronto
Telephone: ELgin 4321

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Call car-U-drive
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IN PRESENT & POSTWAR MACHINE SHOP WORK
ACCURACY WITH HIGH SPEED PRODUCTION
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Tools, Jigs, Fixtures, Etc.
Aircraft Parts
R.C.A.F. Approval
WE SOLICIT PRIME AND SUBCONTRACT ORDERS
RIVERDALE GARAGE LTD.
Machine Room Division
755 Danforth Ave. TORONTO 6 HA. 2103
Established 1911 J. A. Hearn, Managing Director

New Issue
The Shawinigan Water and Power Company
3½% Bonds Due February 1st, 1970
Price 100 and interest
to yield 3.50%
Proceeds of this issue will be used in refunding the outstanding Series "A" 4½% Bonds due October 1st, 1967.
Descriptive circular will be furnished upon request.
Cochran, Murray & Co. Limited
Dominion Bank Building Toronto, 1

SHARES of Commonwealth International CORPORATION LIMITED
An Investment Company
- The shares of Commonwealth International Corporation are a time-tested investment.
- The company was incorporated under the laws of the Dominion of Canada in 1933.

Head Office—The Royal Trust Co., Charlottetown, P.E.I.
Principal Business Office—The Royal Bank Building, Montreal

- Dividends have been paid quarterly without interruption since incorporation.
- An investment in the shares of Commonwealth International gives you a maximum degree of safety, through diversification of holdings and the fact that the corporation owns outright all securities in its portfolio.
- Investment in these shares simplifies the Income Tax calculations of the individual and eliminates the duplication of Succession Duties.
- The shares of Commonwealth International are self-liquidating and consequently a positive market is available at full asset value.

Consult your Investment Dealer or Broker for further information

CHARTERED TRUST AND EXECUTOR COMPANY
THIRTY-EIGHTH ANNUAL REPORT
Balance Sheet
December 31st, 1944

ASSETS

Capital Account:		
Office premises and safety deposit vaults	$353,267.86	
Mortgages—Principal	205,464.35	
Mortgage interest due and accrued	2,728.67	
Loans on collateral securities	110,483.25	
Bonds and Debentures:		
Dominion of Canada and Province of Ontario	295,033.08	
Other British Dominions	68,750.00	
Canadian Municipalities and School Districts	114,247.94	
Corporations	152,040.17	
Interest accrued	6,520.84	
Stocks	217,570.14	
Cash on Hand and in Banks	117,333.73	
Advances to Trusts, Estates and Agencies	6,450.00	
Accounts Receivable	17,537.04	
Other Assets	6,633.38	$1,674,060.45
Guaranteed Trust Account:		
Mortgages	$481,143.39	
Interest Due and Accrued	5,131.87	
Bonds and Debentures:		
Dominion of Canada and Province of Ontario	2,565,094.83	
Eastern Provinces of Canada	57,806.20	
Other British Dominions	24,839.94	
Canadian Municipalities and School Districts	262,550.36	
Corporations	42,351.53	
Interest Accrued	18,633.01	
Loans on Collateral Securities	1,302,010.16	
Cash on Hand and in Banks	1,233,982.39	5,993,543.68
Total Capital and Guaranteed Assets		$7,667,604.13

LIABILITIES

Capital Account:		
Capital Subscribed and Fully Paid	$1,000,000.00	
Rest	500,000.00	
Dividend No. 104, Payable Jan. 2, 1945	10,000.00	
Accounts Payable and Accrued Items	20,781.19	
Fees, Rents and other items paid in advance	12,188.55	
Reserve for Dominion and Provincial Taxes	41,331.19	
Balance at Credit of Profit and Loss	89,759.52	$1,674,060.45
Guaranteed Trust Account:		
Trust Deposits	$5,304,029.88	
Funds held under Guaranteed Investment Certificates	689,513.80	5,993,543.68
Total Capital and Guaranteed Liabilities		$7,667,604.13

Estates, Trusts and Agencies

Cash, Securities and Other Properties held for Estates, Trusts and Agencies	$23,418,265.83
Total Estates, Trusts and Agencies	$23,418,265.83

Estates, Trusts and Agencies under Administration by the Company	$23,411,815.83
Advances from Capital Account	6,450.00
Total Estates, Trusts and Agencies	$23,418,265.83

Approved on behalf of the Board,
R. R. CORSON, President
JOHN J. GIBSON, Vice-President and General Manager

Certified per Report attached.
HARVEY A. LEVER, C.A.
J. FRANK HOSKIN, C.A. } Auditors.

Page Four Page Five

CHARTERED TRUST AND EXECUTOR COMPANY

DUNHAM
DIFFERENTIAL HEATING
Controlled Steam for
SCHOOLS
Information on request
C. A. DUNHAM COMPANY LIMITED
1523 Davenport Road, Toronto 4

GLOBE ENVELOPES LIMITED
FOR MODERN BUSINESS
BULL DOG GUMMED
VANCOUVER WINNIPEG
OTTAWA TORONTO MONTREAL

INVESTMENTS THIS WEEK

Seven-year High for CPR

The recent declaration of a dividend of 75 cents per share on its common stock by the Canadian Pacific Railway caused substantial buying which has carried the stock to $15 per share, the highest level since 1937.

Buyers point out that this makes a total payment of $1.25 per share out of 1944 earnings as against 50 cents paid in 1943 and that the stock at $15 per share yields about 8.33%.

London press comment called attention to the company's sound financial position and to the good effect on trade relationships between Canada and Great Britain of this dividend's bearing upon Britain's Canadian dollar balance. The financial caution of the board, as indicated by the present and previous dividend declaration, is pointed to and the inference is made that "it is unlikely that the decision to increase the dividend would have been made had it not been justified by the position."

It is also pointed out that the cash position is good, that there are no bond issues of any magnitude maturing before 1949 and that during the war years funded debt has been reduced by $126 millions and fixed charges by $6 millions. The dividend was higher than had been anticipated and the board's consideration for the patience of the shareholders was mentioned appreciatively.

• • •

Maple Leaf Milling

The annual report of Maple Leaf Milling Co. for the year ending July 31, 1944, is expected to appear shortly.

Production for the first six months of the current fiscal year is running at about the same level as in the similar period a year ago, although the output since December has been affected by the heavy snowfall and by the inability of the railroads to supply freight cars, The Financial Post understands.

• • •

Moose Jaw Bonds

An informal meeting is being held in Regina this week between the City of Moose Jaw representatives, debenture holders' representatives and the Saskatchewan Local Government Board. Purpose of the meeting is to attempt to reconcile the various views regarding the reorganization of the city's funded debt.

• • •

Prince Albert Bonds

An informal conference is expected to be held in Regina on Feb. 23, 1945, to discuss the possibility of refunding the debenture debt of the City of Prince Albert, Sask., The Financial Post understands. Representatives of the city and of the bondholders expect to meet with the Saskatchewan Local Government Board.

• • •

Windsor Bonds

The refinancing plan for the debenture debt of the City of Windsor, Ont., is now being drafted and the plan is expected to be filed with the Ontario Municipal Board shortly, The Financial Post is informed. The solicitor for the bondholders, without prejudice to the committee, is aiding City Solicitor L. R. Cummings and the Department of Municipal Affairs in drawing up the detailed plan.

• • •

Alberta Bonds

Further strength and activity was apparent in Alberta bonds in the market last week and is said to be based on the expectation that a refunding scheme will probably be presented by the government at the current session of the Legislature which opens Feb. 22.

Reports generally agree on the probability of 30-year 3½% refunding bonds being issued. However, street gossip on the settlement of interest arrears varies from the reports that full interest arrears will be paid in 30-year noninterest bearing script to that one third of the arrears will be paid in cash as full settlement.

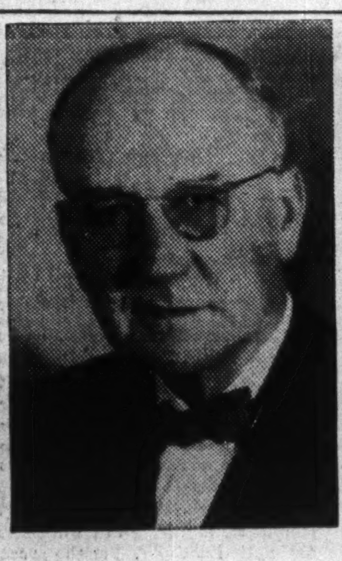
Activity in the bonds is said to have originated from the New York market. Prices are now substantially higher than at the end of 1944 and had been rising for some time previously to that. The 1945 rise is as follows:

Issue		Market Price Feb. 19, 1945	Dec. 30, 1944
4½%	1956	98¼—9	93½—95½
4%	1954	95 —6	91 —2
5½%	1952	99 —100	94½—96½
6%	1947	96 —7	92 —4

• • •

Canadian Breweries

A plan for exchange of the presently outstanding 245,497 shares of $3.40 preference stock of Canadian Breweries Ltd. for new convertible preferred and common stock may be submitted at a future date but not immediately, The Financial Post understands. The plan would be proposed in place of calling the present preferred for redemption at $46.75 the call price, it is stated.



CPR VICE-PRES.

G. A. Walker, K.C., becomes vice-president and general counsel of Canadian Pacific Railway Co. He had been CPR general solicitor since 1936.

Molson's Sells Public Shares

From Our Own Correspondent

MONTREAL—An offering of 150,000 shares of no-par-value capital stock of Molson's Brewery Ltd. through Greenshileds & Co. was oversubscribed heavily immediately after the books were opened.

The stock was offered at $20 a share and has since sold at $26 a share and the 150,000-share block represents 20% of the capital stock outstanding. There is no funded debt.

This is the first time Molson's stock has ever been made available to the public, as the company has been privately owned by the Molson family since its establishment by John Molson in 1786. The Molson family still owns all but the 150,000 shares now distributed to the public.

Prospectus issued in connection with the offering states that earnings in the year ended Sept. 30, 1944, amounted to $1.34 a share, exclusive of refundable part of the excess profits tax, and to $1.65 a share, including refundable E.P.T. Average earnings for the past 10 years amounted to $1.47 a share, excluding refundable E.P.T., and to $1.55 a share including refundable E.P.T.

It is stated that the stock is being placed on a dividend basis of 25 cents quarterly.

Hearst Trying to Buy U. S. Newsprint Mill

From Our Own Correspondent

MONTREAL—The Hearst interests have been negotiating for purchase of the Maine Seaboard Paper Co., Bucksport, Me., it has been revealed by an official of the Maine company at a hearing before the Securities & Exchange Commission.

The official refused to comment on the rumor that Hearst had offered $7 millions for the paper plant and 400,000 acres of timberland.

Common Offered By Fed. Foundries

An offering of 60,000 no par value common shares (voting trust certificates) of Federal Foundries & Steel Co. is being made at $3 per share by Harrison & Co. and associates. These shares form part of a block of 75,000 shares sold by the company last June at which time it received the funds produced by the sale. Consequently no part of the proceeds of this sale will be paid into the treasury of the company.

Gross operating profit, subject to audit, for the first four weeks of the current fiscal year was $15,644 as compared with a loss of $780 for the same period in 1943. The prospectus states: "At this date the company has signed orders in hand for steel of a total value in excess of the entire sales for the year 1944. Contracts for the delivery of these orders cover every month in the year 1945."

Refunding Issue

The Shawinigan Water and Power Company

First Mortgage and Collateral Trust Sinking Fund Bonds
Series "J", 3½%

To be dated February 1, 1945 — To be due February 1, 1970

Principal and half-yearly interest (February 1 and August 1) payable in lawful money of the Dominion of Canada in the Cities of Montreal or Toronto.

Denominations: $1,000 and $500. — *Registerable as to principal only*

Legal Opinion: Messrs. MacDougall, Scott, Hugessen & Macklaier.

In the opinion of Counsel, these Bonds will be a legal investment for Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended.

It is expected that Trustee's Interim Cerificates, exchangeable for Definitive Bonds of the Company when available, will be ready for delivery in Montreal and Toronto, on or about February 27, 1945.

The proceeds of sale of this issue of Series "J" Bonds and the proceeds of the sale of the $25,000,000 Series "K" Bonds, being sold concurrently in the United States, will be applied toward the retirement of the First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "A", 4½%, which are to be called for redemption.

We offer these Bonds if, as and when issued, and subject to the approval of Counsel.

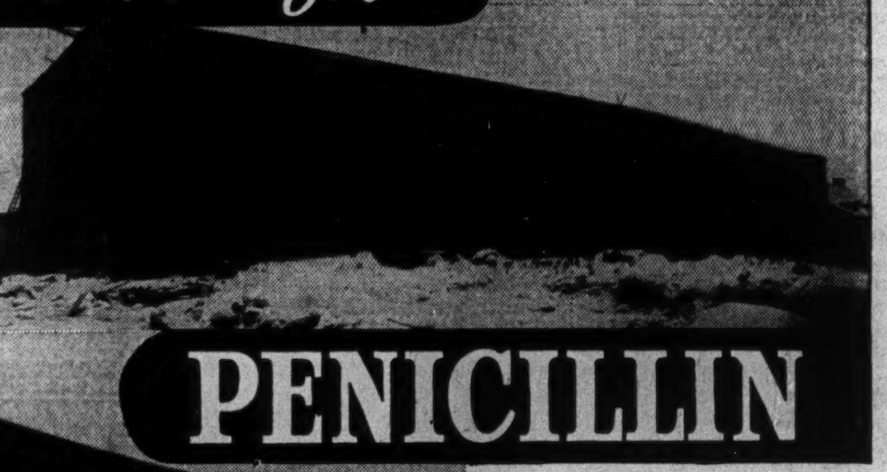
Descriptive circular upon request

PRICE: 100 and accrued interest

NESBITT, THOMSON & COMPANY
Limited
355 ST. JAMES STREET WEST, MONTREAL
Branches in the principal cities of Canada

269A

The Call went out for



Right—The temporary housing over the penicillin building. Picture taken Jan. 20, 1944.

PENICILLIN

Left—The housing was removed and the building almost ready for occupancy Feb. 17, 1944.

Ross & Macdonald Inc. Architects.
Brian R. Perry, Consulting Engineer.

... and "Foundation" was privileged to construct — for the Department of Munitions and Supply — the first new plant in Canada where this famous drug is now being produced. The plant is under the management of Ayerst, McKenna and Harrison Limited, Montreal.

The construction was started and completed during the winter months, and as every day gained meant human lives saved, the elements were cheated by building the entire structure under a temporary housing.

In spite of wartime difficulties of labour and material shortages the building was completed on schedule.

THE FOUNDATION COMPANY
OF CANADA
LIMITED
And Subsidiaries
TORONTO MONTREAL HALIFAX

HOTEL FOR SALE

We have for sale the leading Commercial Hotel in Regina, with licensed Premises; fully furnished and equipped.

This Hotel is a proven large profit maker.

While the price is reasonable, it will require considerable capital to handle.

Full information on request.

NAY & JAMES LIMITED,
REGINA

To The Travelling Public:

Hotel London
London, Ontario

Rates for Rooms as Follows:—

Single room without bath, $2.75; running water and toilet.
Single room with shower, $3.00.
Single room with bath, $3.50.
Single room with tub and shower combination, $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.

Soliciting your appreciated patronage.

H. F. STRUCKETT, Manager

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED SEPTEMBER 1, 1941

The Province of Alberta will pay interest to bona fide holders of debentures of the above issue at the rate of three per centum per annum in respect of the half-year ending March 1, 1945, being at the rate of $15.00 and $7.50, respectively, for each $1,000 and $500 denomination.

Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payment of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada. Debentures should be accompanied by the usual ownership certificate required by the Dominion Government as in the case of coupons.

Dated at the City of Edmonton, in the Province of Alberta, this 15th day of February, 1945.

(Sgd.) E. C. MANNING,
Provincial Treasurer.

(Extract from The Alberta Gazette of February 15, 1945).

For Men of High Business Responsibility

STANDARD OTTAWA AUTHORITY
VERNER OTTAWA LETTER
The Original Canadian Letter—Founded in 1940—Published Every Week from the Nation's Capital
Edited by ROBERT B. VERNER
By Subscription Only—$50.00 a year
For Information Write to:
Verner OTTAWA Bureau
EDITORS AND PUBLISHERS
OTTAWA CANADA

VICTORY LOAN BONDS

BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

We Recommend . . .

POWELL RIVER COMPANY LTD.
COMMON STOCK
NO PAR VALUE

AT THE MARKET

Descriptive Circular Supplied on Request

LAUDER MERCER AND COMPANY LTD.
510 West Hastings Street
Vancouver - - Canada

BY FAR THE *Largest* DAILY CIRCULATION IN CANADA

Plus

RETAIL ADVERTISING NEWS

Retail Advertising is NEWS! . . . news that thrifty Ontario housewives look for eagerly, and read carefully, when making up shopping lists for such things as food, clothing, house-furnishings and hosts of other things for which they are the responsible family purchasing agent.

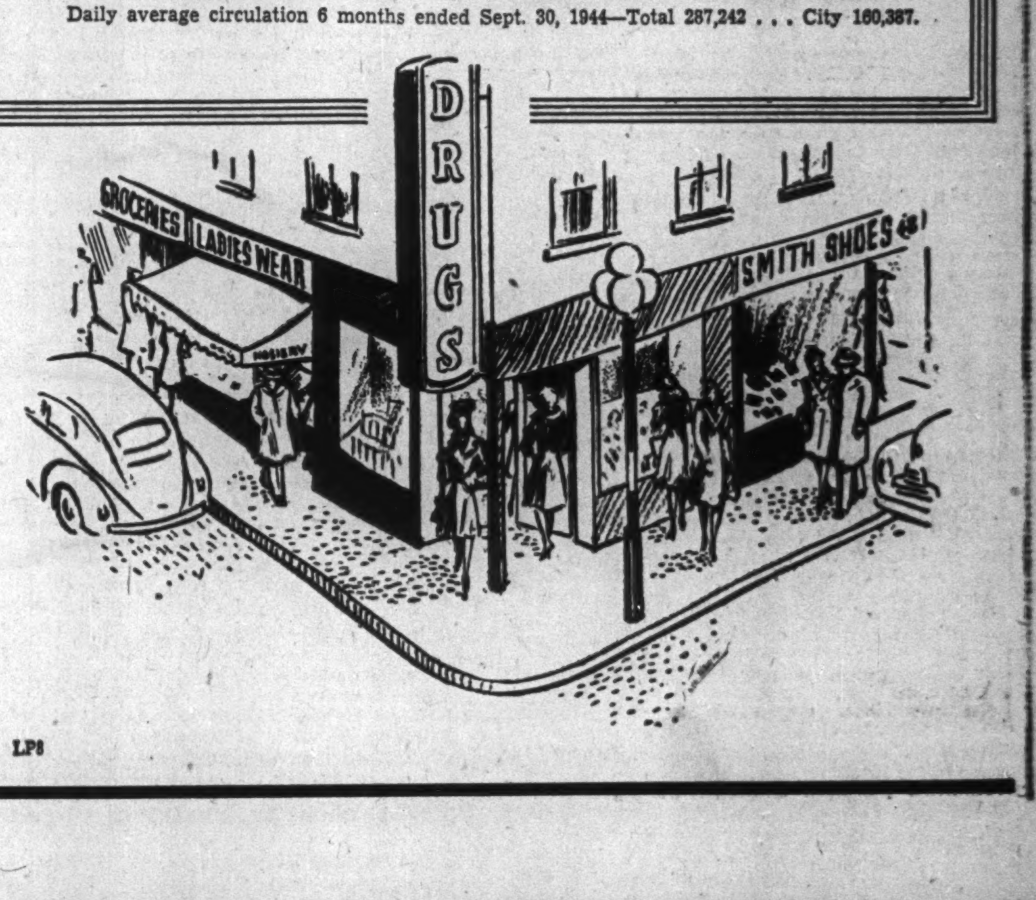
A very marked preference for The Star has been shown by Toronto retail advertisers in all major classifications . . . Department Stores, Boots and Shoes, Women's Clothing, Men's Clothing, Groceries, Drugs, Furniture and Jewelery.

Naturally, the daily newspaper with the largest volume of interesting retail advertising news has a special interest for housewives in addition to the interest of its general news and editorial features.

And leadership in the publication of retail advertising news is another indication of The Star's exceptional value for national advertisers.

TORONTO DAILY STAR

Daily average circulation 6 months ended Sept. 30, 1944—Total 287,242 . . . City 160,387.



LP8

The Editorial Page . .

Here British Law Not Apt

In most matters of taxation Canada's tax authorities take as their administrative guide English court decisions and interpretations.

That may serve us well enough in most things, but it is likely to work out very badly for Canadians on matters relating to life insurance.

The reason is this: Life insurance on this continent is a very different social and economic instrument from its counterpart in Britain.

For two decades at least the whole emphasis of life insurance selling on this continent has been on "estate planning" which is the expert use of life insurance in its various forms to meet the likely and the probable needs of the assured and his dependents.

On the average the North American individual spends less than 10% of his income on life insurance premiums. Yet in the U. S. 88% of all inherited estates are composed of life insurance and an estimate for Canada is that at least 75% Canadian estates are life insurance.

So far this concept of the use of life insurance has made little headway in Britain and the individual there who has a "planned estate" through the guidance and the merchandise of the life insurance underwriter is rare indeed.

Hence, the place of life insurance in the lives of tens of thousands of Canadian families, in the social and economic fabric of our Dominion is completely beyond the experience of the British courts on whose pronouncements our taxmen lean. Here is certainly a place for development of our own jurisprudence.

In his address to policyholders, Louis L. Lang, president of Mutual Life of Canada, gave an excellent statement of the role of the Canadian life insurance salesman. The individual he described would be almost unrecognizable to most Britishers. Mr. Lang said in part:

"The life insurance representative of today must equip himself to act as a competent family adviser in many matters pertaining to domestic financial requirements, both present and future, as well as know and explain efficiently the many kinds of policies available and the essential merits of adequate financial protection. His services have been summarized as: programming the distribution of proceeds of life insurance policies, a constant study of laws relating to taxation and succession duties, arranging beneficiary changes as they become necessary, arranging the change of policies from one form to another as circumstances require, conserving life insurance in force, preparing settlement plans for the purpose of distributing profits of life insurance, arranging for special benefits as they become available, arranging policy loans when needed, and on occasion discouraging such loans, giving service in the case of endowment or claim papers.

"Apart therefore from his generally recognized function of seeking new policyholders and distributing as widely as possible the family protection provided by life insurance, the services of the field man are indispensable and they have no little share in determining many of man's most important actions in material affairs."

The North American life insurance salesman has worked a profound social and economic development—one whose full effects and implications are still but little appreciated.

The application of British tax law with respect to the taxation of the proceeds of life insurance policies paid on an annuity basis results in a very different impact on the average individual and on the community in Canada compared with the impact of the same law in Britain.

Recognition of the sharp difference between the British and the Canadian situation in this respect is important in view of the present Royal Commission study of annuity taxation.

Define the Question

Already abundantly clear in the evidence before the Royal Commission on Taxation of Co-operatives is the fact that literally scores of different organizations, with as many different ways of conducting business, claim to be co-operatives, hence to be entitled to complete exemption from income and excess profits taxes.

A few of them have actually contributed something in excess profit taxes to the public revenue of Canada and a larger group have regularly paid nominal income taxes. The great majority, however, have furnished nothing in this regard, and all, including those taxed, have argued for complete exemption.

Under the present income tax act the status of co-operatives entitled to exemption is by no means clear. Both the co-operatives and the joint stock companies appearing before the Commission agree on that point. Some act as simple agents for a group of producers or consumers, in which case the making of any substantial profit is impossible. But others engage in practically every conceivable line of business activity, including buying and selling, manufacturing and processing, exporting and importing, drilling for oil and mining coal.

Some of these organizations are financed through share capital, some through notes and bonds. Others dispense with share capital, using tax and interest-free deductions from proceeds due members for working capital and expansion. The great majority do business with members and nonmembers alike, though several admit automatically to membership privileges, anyone transacting business with them. This practice, of course, completely nullifies the stipulation in the income tax act which limits nonmembership business to 20% of total, if tax exemption is to be granted.

Practically all of the co-operatives pay or promise to pay patronage dividends out of profits to members before computing income tax. This means that the treasury gets only a fraction of the revenue it would receive from an ordinary company doing the equivalent amount of business.

With the public hearings before the McDougall Commission barely half finished and the largest co-operatives yet to appear, it is, of course, impossible to predict what should or could be the findings of that Commission. But this point is already clear.

Before any ruling can be laid down regarding an equitable application of income and other federal taxes, the true function and organization of a co-operative must be defined and the tax act clarified to confine any benefits considered desirable to those which can qualify.

The Wise Spending of Money

The wise spending of money is a brief definition of the prime function of sound management and not far ahead for Canadian businessmen are conditions in which the wise spending of money will be the test, not only of their expertness, but also of their survival.

The unwise purchase of advertising space is one place where management needs to be very watchful, and where its advertising advisors have an important responsibility.

The editor of Printers' Ink makes this point very well in a recent editorial in which he said, in part:

"I am all for new magazines — with a couple of exceptions. One is the magazine designed as an official organ of a trade association, but created for the major purpose of selling advertising space. Good association bulletins are an essential part of the operation of a great many associations. I also want to make clear that I am not attacking these few association magazines that are ethically run in spite of the fact that they sell space. They are the exceptions that prove the rule.

"If your association is all set to start a magazine, you might stop to consider some of the weaknesses of such magazines.

"The association organ, as too frequently conducted, raises its advertising money largely from advertisers who are not convinced of the value of the magazine, but who spend their money in its pages because they don't want the industry to think that they are not supporting the association.

"The association magazine is too likely to be edited by amateurs.

"The association organ usually lacks courage. It cannot be anything but a booster for every official association activity. Yet the great strength of a good business paper lies in the fact that it can stand outside of an association and criticize soundly and constructively those activities of the association that it believes are unsound, uneconomic or unwholesome.

"The association organ almost inevitably becomes a subsidized puff sheet for influential groups within an industry."

Newfoundland Job-maker

From Newfoundland we learn that one of the country's leading businessmen, C. C. Pratt, has established a scholarship fund of more than $30,000 to be applied for the use of children of servicemen and of the merchant marine in helping pay for their education.

One interesting thing about this announcement is that the money represents profits Mr. Pratt made on building for the British Admiralty six motor minesweepers. Back in 1940 an enquiry was made as to whether such ships could be built in Newfoundland. Mr. Pratt thought they could. He went to Ottawa to interview officials of the British Admiralty Technical Mission and with difficulty convinced them the plan was feasible. Mr. Pratt submitted a tender. The Admiralty asked for two ships as a trial order. The craft were built; proved thoroughly satisfactory and four more were ordered. The last of the vessels was commissioned in 1943. They were built at Monroe, Trinity Bay, by a well-known Newfoundland builder, Henry Stone.

Mr. Pratt is president and managing director of Steers, Ltd. He is also president of the Newfoundland Industrial Commission. No single citizen has been more active and resourceful in seeking out new avenues of employment and industry for his native country than Mr. Pratt. The obtaining of these orders for Newfoundland and the use to which the profits have been put, are a tribute to his energy, resource and public spirit.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Factors Affecting Future Population of British Columbia

Herewith sections of an address by H. R. MacMillan, C.B.E., outstanding Pacific coast enterpriser to the Vancouver Board of Trade.

We here bear the serious responsibility of laying the foundation to preserve opportunity in B. C. for those enlisted for war services—estimated to be 90,000; those who came here during the war—estimated to be 100,000; the youth and children; the immigration yet to come of which we speak optimistically.

The following broad outline is submitted in the expectation that it may be extended and improved:

1. Maintain and increase the productivity of all our resources. 2. Widen the markets for all our products. 3. Use our savings more creatively.

British Columbia forests supply 47% of the total lumber production of Canada, a fact which emphasizes their value as a resource of importance to all the Canadian people . . . Forest employment provides something of the order of 40% of the livelihood of the total population. British Columbia, alone among the provinces, is primarily dependent on foreign and chiefly overseas markets, for the sale of her lumber.

The forests not only provide today B. C.'s greatest annual crop, but are still potentially capable of the greatest future crop of any of this province's resources.

Therefore it is of extreme importance that reforestation be undertaken and completed as soon as possible. Forest research in B. C. should be greatly extended. The Dominion Government should take a part in the task.

The B. C. commercial fish crop is exactly half the Canadian total. Fisheries of the province sustain over 75,000 persons.

The fish crop of the ocean and rivers entering salt water can produce a much greater crop than at present, supporting a much larger population. Science has learned how to develop power and use streams for industrial purposes without necessarily destroying commercial fisheries.

Ottawa has neglected its opportunities and duties, therefore we must struggle unceasingly to the end that the fish resources of this province shall be studied and administered with imagination and energy.

Producing the largest possible crops of timber and fish justifies and necessitates our providing training to fit active returned servicemen as field men in the forest and fisheries protective and administrative services. Such training will improve their opportunities in this province and their value to society.

To bring more land into agriculture, some of the enormous supply of power machinery purchased for the making of roads, airports, etc., and now idle, should be put into the hands of provinces and municipalities to clear, drain lands, improve roads, and help forest fire protection. No individual will clear land by hand. Life in the country must be made more attractive.

We must induce capital into the development of promising mineral discoveries.

We possess and enjoy the best playground on this continent. Visiting hunters and fishermen spend heavily on local services, therefore our game and fish resources should be cultivated, exploited and sold on a much larger scale.

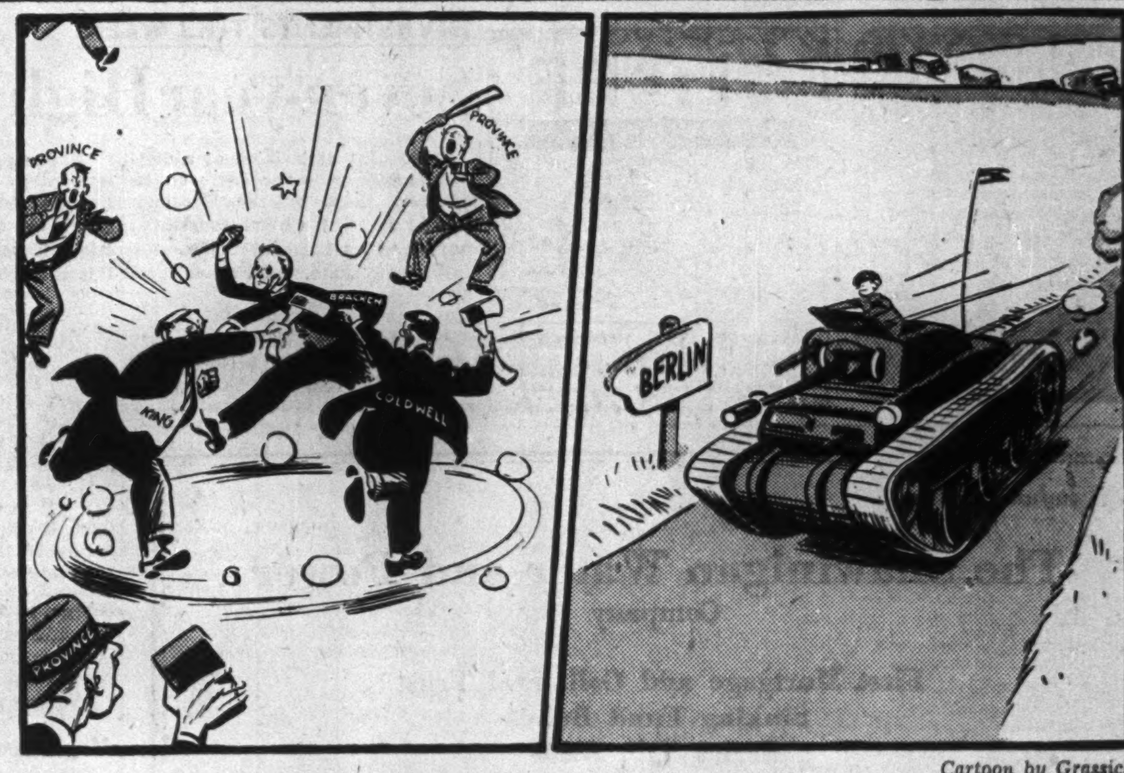
We can give our people the widest possible opportunity for employment only if we refine all our products to the utmost. We should study and support a program of development of resources rather than depend too much on non-productive public works.

Unless the Canadian Government can remove the present tariff barriers against our goods into the U. S. or bring about sufficient tariff reductions in the U. S. and Canada to permit the Sterling area to acquire dollars by selling goods in these rich markets, our British Columbia sales abroad must shrink seriously.

No country can grow according to its opportunities if man-made restrictions, such as freight rates, prevent the people in the important ports from using the opportunities of their position, and the people developing the forests, fisheries, farms and mines from reaching competitively the natural markets for their goods. Discriminatory freight rates also deprive consumers of the privilege of buying competitively in more than one area of supply.

Such freight rate discrimination against us into our natural Canadian market will have a profoundly depressing effect on the number of persons who can find work in British Columbia. The rate structure seems designed to hold our population down to "hewers of wood and drawers of water."

It is probable that the discriminations against British Columbia arise not from railroad officials but from pressure by Eastern interests who up to now have been selfish and short-sighted and have been too numerous and powerful for our limited population to overcome.



Cartoon by Grassick

—BUT AT LEAST WE'RE MAKING REAL PROGRESS IN EUROPE.

Post-Scripts . . . .

The Antidrought Man

When George Spence, tall and tireless director of Prairie Farm Rehabilitation Administration, talks of dry farming he knows whereof he speaks.

For he has farmed down in some of Saskatchewan's driest country—in the southwest close to the Montana border.

MR. SPENCE

Today his gospel is a revitalized prairie farming country, its great stretches of semi-arid country revitalized by water, precious stuff, hoarded in dams and distributed by canals and ditches to thirsty land by irrigation.

Spence has had as varied a career as any man in public life — miner, homesteader, farmer, politician, parliamentarian and provincial cabinet minister.

He comes from the Orkney Islands, rocky bits of land north of Scotland, and his speech still betrays his origin.

Migrating to Canada in 1900, Spence was lured to the far Klondyke where he panned for gold for three years. He left three years later, with no fortune.

He went to the prairies where his first experience on the land was at McGregor, Man. About that time a Grain Growers local was started, and Spence took a prominent part in that organization's fight for tariff readjustment. He was one of the 800 farmers who made a trek to Ottawa to press their demands.

But Spence found farming did not pay well enough so he joined the CPR and went out on survey work on branch lines. This experience gave him the germ of his later battles to get branch lines built in Saskatchewan. One of his most successful was getting the CPR Consul-Assiniboia branch built in southwestern Saskatchewan.

By 1912 he was back to farming, this time at Monchy, in the Saskatchewan dry southwest. He was in there before rails came, the first to homestead in the township. And from a "cowless and treeless, sowless and henless" bare section of land he developed a real farm and home.

This shows his grit. He needed trees for his homestead and was able to get 1,600 seedlings shipped from the Indian Head forestry farm to Neville. But Neville was 80 miles from his homestead.

So he walked the 80 miles and brought the 1,600 seedlings to his homestead on his back.

In 1917 Spence was nominated for the Saskatchewan Legislature in the Notukeu riding. He had to organize his campaign on foot. The Non-Partisan organization, which grew in Saskatchewan in those years out of the Non-Partisan League across the line in North Dakota, opposed him. In Spence's words the Non-Partisaners "tin-canned me and broke up my meetings." But he won the seat. In the 1921 provincial vote he was returned, and in 1925 he took his opponent's deposit.

In 1925 he resigned his provincial seat to jump into the federal field. He was elected that year and reelected in 1926. He was a fighter for tariff changes, and was one of the outstanding low-tariff men in the Liberal ranks of those days.

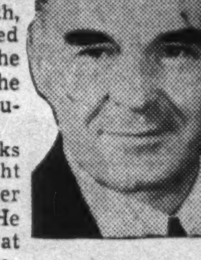
A few years later he was back in provincial politics and, in a cabinet reorganization, he became minister of railways, labor and industries, and minister of highways. He continued in the Legislature, either in the government or in opposition, until 1938 whe he resigned to become director of PFRA.

PFRA in the 10 years of its life has done a great job for western Canada farmers in water conservation and in battling effects of the great drought of the thirties. Much credit goes to Spence, who has sparked the organization with some of his own unquenchable enthusiasm.

• • •

Traffic Expert

For the past 23 years William Ferguson has been traffic manager for a large industrial organization in Canada. The Canadian Industrial Traffic League has such a high regard for his comprehension of the business that, at the annual meeting this month, he was elected president of the League for the second consecutive year.



MR. FERGUSON

Ferguson looks as if he might be a philosopher on a holiday. He demonstrates at least a philosopher's adaptability. Born in northern Ireland in 1893, in the industrial centre of Ballymena, he attended Guy's School and Ballymena Academy. He had planned to become a lawyer, but in 1914 his studies were interrupted when he enlisted in the North Irish Horse. He rose from the rank of trooper to sergeant and was later transferred to the Royal Ulster Rifles, winning a commission on the field. He was wounded three times. The final time he recovered consciousness in a German prison camp.

He remained with his regiment for two years after the war and was engaged in postwar education work. During this period he studied at Cambridge and was an instructor in commercial subjects. When discharged in 1921, Ferguson came to Canada and joined the legal department of T. Eaton Co. later becoming associated with the Colgate-Palmolive Peet Co. as traffic manager, where he still is.

He has devoted much of his time recently to the study of a transportation policy for Canada, and believes that the advantages of each type of transportation should be recognized and preserved, and that no restrictions should be imposed which would prejudice any type of transportation in favor of another. Last year, as president of the Canadian Industrial Traffic League, Ferguson submitted a transportation policy to the Federal and Provincial Governments of Canada. This subject will receive consideration at the Dominion-Provincial Conference.

In his spare hours, he is an enthusiastic singer and has been a member of the Mendelssohn Choir for many years. He has also been associated with the Shakespearean Society of Toronto and has taken part in dramatic presentations on stage and radio. In 1929 he married Elizabeth Maxwell who came from Ferguson's Irish home town.

He is a director of the Transportation Club of Toronto and vice-chairman of the Transportation Committee of the Canadian Manufacturers' Association.

Dominion Life GM

Alfred S. Upton, the newly appointed general manager of the Dominion Life Assurance Co., has come up through the agency branch of the business.

Starting his career in the general insurance business, he later joined the staff of the Union Mutual Life Insurance Co. of Portland in Montreal, where he gained a practical experience in the sales field.

MR. UPTON

But his special gifts for organization and sales promotion work soon drew the attention of his superiors and in 1927 he joined the staff of the Dominion Life as inspector of agencies for western Ontario.

He made an outstanding success in agency work. In 1929 he was made inspector for Ontario agencies, in 1932 agency supervisor, and in 1937 superintendent of agencies, his territory including both Canada and the United States. In 1941 he was made assistant general manager.

Ford S. Kumpf remains as president of the company, but relieves himself of administrative burdens in this shift. A Waterloo native, Mr. Kumpf started off as a clerk with Dominion Life, then became town treasurer; later manager of Waterloo public utilities.

In 1914 he was brought back to Dominion Life as assistant manager; in 1919 he became managing director and president in 1928.

Extremely active in community affairs in the past, Mr. Kumpf at 69 is immensely vigorous and local causes will not by any means suffer now that he has more time to himself.

The new general manager, Upton, has achieved an international reputation in photography. Before the war he was a regular exhibitor in international photographic salons both in Europe and North America.

He was born in Southport, England, a little over 46 years ago, came to Canada as a boy and received his education in Toronto and Montreal schools. In recent years he has shown considerable activity in insurance association work and has frequently represented his company in the executive session of the Canadian Life Insurance Officers Association.

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Other People's Views . . . . . .

Editorial of the Week

Avoid Alberta's Mistake

Calgary Herald

On more than one occasion men prominent in the C.C.F. Government in Saskatchewan have intimated that if the Federal Government compels full payment of the seed grain debt, the province may have to default on its bonds.

Apart entirely from the merits of the seed grain dispute, it is of major importance that Saskatchewan as a province should maintain its credit. This concerns not only that province but every other province in Canada and the Dominion Government as a whole.

The Provincial Government of Alberta was the first to default on its bonds. It is now generally conceded that a serious mistake was made by so doing. The people of this province have gained nothing through the default and have lost a great deal. Today the Province of Alberta cannot borrow a dollar on a bond issue. It will not be able to do so until a settlement is made on past defaults. Even then it will take many years of honest dealings before the bonds of the province are readily acceptable by people who have money to invest.

The province of Saskatchewan passed through some years of great adversity when the drought cycle was at its worst. Nevertheless, it maintained its credit and kept its good name. To default right now when conditions were never better in that agricultural province would seem foolish.

Some of the Maritime provinces whose governments possessed sufficient wisdom to deal honestly with bondholders have credit standings ranking with that of the Dominion of Canada, while the western provinces, much more productive and with greater resources and larger population, do not possess as desirable a credit rating.

A default by the Saskatchewan Government might gain a little temporary political advantage but in the end the economic result would be disastrous. Saskatchewan is a large and wealthy province and has the possibilities of a bright future, but its government should learn from the experience of Alberta and arrange its finances so that its creditors will have faith in its integrity.

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What The Papers Say

B. C.'s COALITION GOVERNMENT is said breaking down, the **Vancouver Sun** reports. "Explanation of the rumored split is that each party is backsliding in the crisis of an impending election. Each has retained its federal family ties and the family leaders in Ottawa are pulling on the ties to separate their offspring. Mentally, the coalitionists are suffering from the going-home-to-mother complex. Gossip about a possible dissolution is heard in Victoria. If an estrangement is actually brewing between the Liberal and Conservative partners in the provincial field, British Columbians should insist that it be checked. This province has been enjoying the best government it ever had, and we don't want to lose the arrangement that produces it. More than that, the partners should consider getting together on a lasting basis."

MR. ILSLEY BACKED DOWN ON SEED GRAIN dispute with Saskatchewan, according to the **Ottawa Journal**. "It is impossible to resist the suspicion that the Minister of Finance succumbed to political considerations. Perhaps some one in a very high place suggested that with a general election coming along, and the Liberals badly in need of votes, it might be as well to temper justice with mercy in the case of the Saskatchewan debt and accept arbitration as a soft way out."

• • •

COMPULSORY AUTO INSURANCE for B. C. was recommended by Vancouver City Council two years ago. **Vancouver Province** wants to know why nothing has been done, says enactment is urgent. Now "Fewer than 35% of B. C cars carry insurance.

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FINANCIAL AID FOR UNIVERSITY TRAINING of worthy students is outlined in B. C. Speech from the Throne. Revolving fund is to provide loans making up difference between what families can pay and what students need. "The government deserves a pat on the back" says the **Vancouver Sun.**

• • •

OUR COAL PROBLEM is inadequately considered, says the **Halifax Herald.** "Let us keep constantly in mind the statement just broadcast from London that in the 'new industrial revolution' now being planned in Britain, coal, in the main, 'will not be fuel, but the basic raw material for hundreds and possibly thousands of new industries.' Here in Canada we have not brought coal beyond the 'fuel' stage. Nor do some leaders in our coal industry appear anxious to discuss coal in terms other than those of 'fuel.' It doesn't inspire confidence in the future of coal in this country."

• • •

LIQUOR POLICY OVERHAUL is urgently needed says **Vancouver Province.** Government monopoly in liquor has become a prime source of revenue and subject to abuse. "For the privilege of paying the unconscionable price of about $4 for a 26-ounce bottle of well-watered spirits once a month, the liquor consumers have become a reserved class of super-taxpayers. We are presently operating a highly artificial system which has all the earmarks of a racket. If it is lawful to drink strong liquor it ought to be possible to drink it without paying official blackmail for the privilege."

• • •

The Mail-box

The Bramble Bush

Doggerel Editor, The Financial Post.

The situation under the present income and succession duty tax law as it affects small business has been described by a leading expert as follows:

"Any taxpayer who incorporates a company and commences business with a moderate capital and builds up a substantial enterprise by using earnings for expansion will die insolvent unless he has sufficient liquid assets outside the business to pay succession duties."

Sometimes when a thing is so full of absurdities, unrealities, injustices and inequalities as the present tax structure, doggerel is most appropriate.

THE BRAMBLE BUSH

There was a man in our town
And he was wondrous wise.
He jumped into a vacant mill
With youthful enterprise.

The years rolled by; the way was hard,
The future often black.
And when he made a little gain
He promptly ploughed it back.

And then one day he did awake
To find that he was sere.
"What will be left," he asked himself,
When I'm no longer here?"

Alas! he found on every side
The talons of the Law
In wait to grab up everything,
And stuff it in its maw.

And when he saw what he had done,
He tried with might and main
Of all the cash that he'd ploughed back
To scratch some out again.

For Learned Advice he sent posthaste.
The Pundit, he said, "Well,
You've always paid your way on Earth
But you'll go bankrupt right to Hell!"

"But Pundit dear," the old man cried,
"What of my wife and daughter?"
"There'll be nought left," he said, "unless
They dine on bricks and mortar."

The 'wildered man did smite his chest
And to himself did cry,
"I must make shift to live because
I can't afford to die!"

POETRY PUTTERER

Carleton Place, Ont.

IN YOUR OPINION

More Powers For Provinces — or Fewer?

The Question: In the coming review of Dominion-Provincial relations, would you favor more power to the provinces, or less?

W. H. Belford

Editor, Times-Journal, Fort William, Ont.

I would favor the retention by the provinces of their once established powers and prerogatives in regard to providing services for the people within their borders. People of a province, as a general thing, cling to their provincial ties and customs. Ontario people do not go to Quebec or the Maritimes to live, at least only in rare cases. They may go in considerable numbers to the West if they believe there is more opportunity there and more room. To a consiedrable extent the same rule holds good in all provinces. Each province should have the right to develop along its own lines in the servicing of its people. The Dominion should be satisfied with the rights it was given at the time of Confederation.

• • •

Prof. K. S. Bernhardt

University of Toronto.

The most important consideration is not whether the Dominion or the provinces have more or less power, but rather the welfare of all Canadians. As long as the individual provinces consider their own rights rather than the welfare of all we will not achieve a united Canada. I do not think it should be considered a problem of more or less power for the provinces, but rather a problem of readjusting the fields of endeavor of governments so as to achieve the most efficient division of responsibility. Co-operation is needed rather than jockeying for power.

• • •

Dr. H. A. Innis

Department of Political Economy, University of Toronto.

Would favor more power to the provinces following grave anxiety over methods of using increased power by federal governments.

• • •

Dr. C. A. Curtis

Professor of Economics, Queen's University, Kingston.

While it is true that many public policies can best be implemented (and must be implemented) by the Federal Government, it is equally true that even more things can best be done by provincial and local governments, for these two are related. And the more that can be assigned to these two governments the sounder it is in my view. It is sound because it protects the individual by spreading government powers among three governments and also because it permits local administration to meet local needs. Thus my prejudice is in favor of provincial and local governments having as much responsibility and jurisdiction as possible.

• • •

David S. Greig

Editor, The Times, Moncton.

The British North America Act accords the provinces certain rights and privileges which, of course, must be honored, but to grant them any expansion of governmental authority that would entail remission of federal administrative functions would be exceeding our bill of rights. Canada's strength and prestige as a nation rests upon the power of its central government to fully implement the constitutional ordinances. The terms of the Confederation pact should be rigidly adhered to. There should be no passing of Dominion authority of any description to the provinces because such action would be bound to have the effect of honeycombing the federal autonomy.

• • •

Jean Charles Harvey

Le Jour, Montreal.

If we widen the field of provincial autonomy the day will come when it will be practically impossible to carry on any legislation or policy for Canada as a whole. Although I do not favor an excessive centralization, I realize the need of a strong central government with enough power to levy the necessary taxes and to legislate our social and economic matters of national interest. Any move to form sovereign states out of our nine provinces would lead to Balkanization. Even in the educational field I would favor a certain co-operation between the federal power and the provinces. The excess of school autonomy for each province may be one of the main causes of Canadian disunity.

• • •

F. Anglin Johnson

President, Farm and Ranch Review, Calgary.

A moderate measure of decentralization of power should help in administering many local or regional schemes for veterans' settlement of postwar resources development and would eliminate several now-overlapping services. Ottawa should retain sole income taxing power, dealing with the provinces on possibly an upward-adjusted scale of grants or subsidies and thus could very effectively keep provincial governments from running wild. As long as we continue to be over-governed, the provinces could well have more responsibility for their own problems without creating any further threat to national unity.

• • •

C. W. A. Kemp

Manager, Huron & Erie Mortgage Corp., St. Thomas, Ont.

Generally speaking, I am in favor of concentration of control with the Dominion Government, particularly in matters of taxation. For example, take the contentious problem of succession duties. Trade relationships with foreign countries should definitely be controlled by the Dominion Government. Standardization of educational methods could be directed by a Dominion department. However, certain departments responsible for social problems could be better administered by the provinces, with the exception of veterans' affairs. There is a closer connection between the provincial and municipal governments and thus the contact with the individual is more easily established and maintained. A united Canada in the postwar period—through co-operation of all governments above all else—should be our main objective.

• • •

Norman L. Leach

President, Searle Grain Co., Winnipeg.

Our enormous country, sparsely settled in relationship to area and opportunities for future development, will be best served by uniform fiscal and social policies. Centralized power wisely used should increase efficiency, reduce overlapping services and costs and provide better average commercial opportunities and social conditions than if separate determination is employed in these matters by individual provinces. Therefore, I favor centralization rather than any increase to provinces because of their likely individual vagaries on economic policies and their actual performance of social services.

• • •

Andrew S. Sibbald, K.C.,

Regina, Sask.

Modern developments in social services, commerce, communications and taxation make desirable a trend toward broader power in the Dominion Parliament. Saskatchewan opinion has favored continuance after the war of financial arrangements generally similar to those under wartime taxation contracts. There has been, however, some realization that provincial withdrawal from certain fields of taxation and the substitution of Dominion subsidies make provinces pensioners of the Dominion. This realization was tempered by confidence that the Dominion would not so administer matters as to have that effect regardless of the merits of the present seed grain controversy. This confidence has been lessened by the Dominion's withholding of an installment of tax revenues. Provincial services include many intimate matters such as hospitalization, education and care of indigents which directly affect the safety and welfare of citizens. Provincial governments have responsibilities which cannot be imperilled by withdrawal from normal provincial fields of taxation unless the alternative Dominion grants are made inviolable.

• • •

John L. McDougall

Assistant Professor of Commerce, Queen's University, Kingston.

This country is made up of distinct economic regions. An attempt at further centralization would certainly intensify the sectional strain already apparent. I would therefore prefer to see reduction of Dominion expenditures below current expectations and leave the provinces with their present power.

• • •

Charles Smart

Editor, The Times, Morden, Man.

On the ground that the provincial governments are closer to the people than the Dominion authorities I would favor more power being given to the local authorities than they presently possess. The income tax collections should be left under the complete control of the Dominion, but each province should have its full share of control of their respective natural resources. Ottawa seems far away when matters of general public importance involving the spending of large sums of money come up before our legislators for decision and these questions could be more easily and with greater economy settled close at hand. The ratepayers directly involved could have a more direct and personal appeal to their lawmakers in their own provinces.

• • •

J. S. Woodward

Editor, Star Phoenix, Saskatoon.

I should say quite definitely that public opinion would support more power being granted to the Dominion in any review of Dominion-provincial relations, always subject, of course, to retention by provinces of a minimum of such essential power as is conferred by the BNA Act. While unitary statehood is perhaps impossible, for geographic, apart from legal reasons, Canada's advance in nationhood can be retarded only by too wide a diffusion of legal and economic authority and powers. I feel strongly that the Canadian people is definitely becoming more nationally conscious as distinct from provincial loyalties.

• • •

Dr. Cecil A. Wright, K.C.

Osgoode Hall Law School, Toronto.

In the interest of building a nation rather than fostering a group of quarrelsome parishes—with each inclined to view its own particular interest as coinciding with general Dominion welfare—Dominion powers must be extended to accord with the true intention of the framers of Confederation which has been perverted by judicial decision. This is essential to permit postwar social and economic legislation, to save internal waste and expense due to excessive government and multiple taxing bodies, and to prevent Canada appearing externally as a Babel of bickering local politicians whose prototype is Huey Long.

• • •

T. L. Barnecott

Mayor of Aylmer, Ont.

Unpredictable factors condition the answer. A major question is, of course, the political feasibility of any suggestions that might be made.

Practical business considerations indicate the necessity of more power in the federal jurisdiction but the political situation, in my opinion, renders this impossible. Clarification of respective jurisdictions is vitally and immediately essential. Patriotic Canadians sitting at a Dominion-Provincial conference should be able to work out the details of compromise, provided such conference is not too long delayed.

• • •

W. J. Waines

Professor of Political Economy, University of Manitoba, Winnipeg.

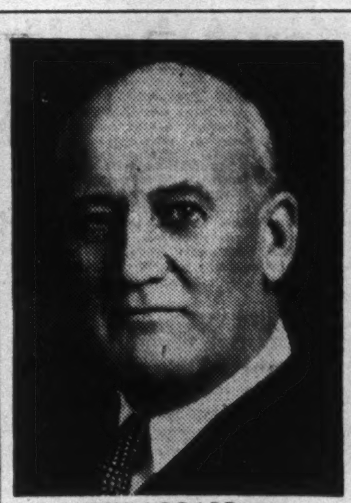
Complete centralization of government functions is neither possible nor desirable in the Canadian situation. It is impossible because of the strong opposition to centralization by certain provinces and it is undesirable because in many spheres of government local administration is more efficient than centralized administration. Probably a majority of the Canadian provinces will find it impossible to execute their shares of the national postwar program without financial aid from the Dominion. Therefore, at the coming Dominion-provincial conference, attempts must be made to find a formula which will enable the provinces to meet their postwar obligations at the same time materially reducing their administrative responsibilities. The most satisfactory solution of this problem is to centralize direct taxes in the Dominion and increase the grants to the provinces. These grants might be of the kind suggested by the Sirois Commission or, if preferred for an administrative reason, per capita grants.

• • •

F. G. Winspear

Chartered Accountant, Edmonton.

I would not favor significant diminution in administrative prerogatives of the provinces as they are in the best position to evaluate local needs and wants. Furthermore, the central authority is naturally sensitive to the wants of heavily populated as contrasted with sparsely populated areas. Distance from the seat of government adds further difficulties to remote areas. On the other hand, inconsistencies and conflicts in the collection of revenues and in the administration of social services, education and other matters should be ironed out by an intergovernmental committee and the Dominion Government should have sufficient power to enable it to force action if necessary.



ON GYPSUM BOARD

Robert A. Bryce, appointed a director of Gypsum, Lime & Alabastine, Canada, Ltd. He is president of Macassa Mines Ltd.

Middle East Declared Good Postwar Market

From Our Own Correspondent

MONTREAL — The Middle East offers an excellent potential market for Canadian Exports providing exchange problems can be solved, Dr. Philip Joseph, who recently returned to Canada after 15 years as a lawyer in Palestine, stated before the Canadian Exporters Association, eastern division.

In the Middle East countries of Egypt, Syria, Iraq and Palestine, during the war, a vast network of new roads has been built by military authorities. Air bases now connect the area with the rest of the world. The standard of living has been raised by development of secondary industries required for war purposes and there has been enrichment of the territory by army purchases. Today, Egypt has a sterling balance in London of £300 millions, and Palestine a sterling balance of £100 millions.

There has been no serious war damage or destruction in the Middle East, and with imports of consumer goods cut off due to lack of shipping for five years a big potential market has developed, said Dr. Joseph.

If as a result of the Bretton Woods monetary fund and the planned international bank some arrangement can be worked out to provide the Middle East with dollar exchange, there will be big possibilities for Canadian exporters in that area. Otherwise, dollar exchange shortages will limit buying from Canada.

Dr. Joseph visioned particularly good trade possibilities in Palestine, where the average per capita Jewish income was £46 annually and the Arab £16 (against £12 in Egypt). He urged appointment of a Cana-Power Co. reports gross earnthe year before of $14,712.

Business This Week

THE FINANCIAL POST	Jan.	Dec.	Nov.	Oct.	Year Ago
PRODUCTION INDEX (4) ...	....	242.0	242.9	245.0	264.1
GOVERNMENT FINANCE (millions of $)					
■National income, D.B.S.	....	766.3	777.7	824	785.3
■Dom. war expend.	237.5	365.5	78.2	378.1	260.6
■Dom. total revenue	230.7	139.8	153.2	244.7	279.4
■Dom. total expend.	308.9	732.0	167.3	437.4	342.4
MERCHANDISING					
Dept. store sales index no. (1) ..	....	158.4	194.7	171.4	145.8
Retail sales index no.	....	237.8	190.6	182.6	220.5
Wholesale sales index no.	....	171.5	195.3	202.6	164.1
Country store (% change pr. yr.)	....	+6.7	+7.0	+6.1	....
FINANCE					
Dividend payment index (5)	130.0	129.9	129.9	129.9	127.0
Bank debits, index (1)	....	....	220.4	164.3	155.0
Bank deposits, index (1)	....	224.1	212.8	202.9	191.2
Money supply (millions $)	....	6,213	6,038	6,038	5,352
NEWSPRINT % OF CAPACITY					
■Production ratio	71.5	68.8	69.4	69.8	68.2
■Shipment ratio	62.7	64.8	70.1	71.0	58.9
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S. index)	198.2	180.5	164.4	140.4	200.5
■Cars (D.B.S. index)	153.6	144.6	142.3	127.4	154.7
COST OF LIVING					
D.B.S. index	118.6	118.5	118.9	118.6	119.0
EMPLOYMENT INDEX, D.B.S.					
All industries	....	185.7	183.8	183.8	190.5
Manufacturing	....	220.1	221.3	223.7	230.9
Payrolls (June 1/41=100) (2) ...	....	151.0	149.9	149.9	151.9
Payrolls (1937=100) (3)	....	223	224	231	224

RAILWAYS—(000's omitted)	1945-44	1944-43	1945-44 Jan. 1 to date	1944-43 Jan. 1 to date	% Change
■Carloadings (week Feb. 10)	65.4	66.7	377.3	404.4	—6.7
■C.P.R. gross rev. (Feb. 14)	5,784	5,440	35,391	34,752	+1.8
C.N.R. gross rev. (Nov.)	36,979	37,001	402,623	401,535	+0.2
C.N.R. net rev. (Nov.)	5,575	7,226	71,958	88,583	—18.8
C.P.R. gross revenue (Dec.)	25,592	27,283	318,871	297,108	+7.4
C.P.R. net rev. (Dec.)	4,750	5,018	43,160	49,212	—12.3
IRON AND STEEL (000's omitted) (Dec.)					
Pig iron production (tons) . . .	139.1	137.3	1,852.6	1,758.3	+5.3
Steel production (tons)	243.4	227.8	3,024.4	2,996.9	+10.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Jan.) $	11,722	8,782	.....	.....	+3.3
Building permits (Dec.) $	7,810	6,381	128,481	80,190	+60.2
■Cement prod., bbls. (Nov.)	559.6	497.6	7,002.9	7,084.6	—1.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Dec.)	2,030	2,173	24,292	24,475	—1.6
■Flour exp., bbls. (Jan.)	840	1,125	.....	.....	—25.4
■Wheat exp., bush. (Jan.)*	5,163	17,274	.....	.....	—70.1
Cattle sales (4) (Jan.)	166.3	94.3	.....	.....	+76.2
Hog sales (4) (Jan.)	830.2	901.7	.....	.....	—6.0
SEA FISHERIES (000's omitted)					
Catch, cwts. (Dec.)	518	736	11,030	11,726	—6.0
Landed value (Dec.) $	1,802	1,803	41,636	36,951	+12.7
NEWSPRINT (000's omitted)					
■Production, tons (Jan.)	265	243	.....	.....	+9.1
■Exports, tons (Jan.)	232	210	.....	.....	+10.4
MINING AND OILS (000's omitted)					
■Coal prod., tons (Dec.)	1,524	1,627	17,010	17,859	—4.2
Gold rec. (fine oz.) (Dec.)	202	268	2,838	3,607	—21.3
■Petroleum prod. (brl. (Nov.) ..	861.8	833.8	9,285.9	9,263.9	+0.2
ELECTRICAL POWER OUTPUT (000,000's omitted) Dec.					
Total monthly kw.h.	3,356	3,560	40,466	40,378	+0.2
FOREIGN TRADE (thousand $)					
Imports (Dec.)	127,217	134,872	1,758,898	1,735,077	+1.3
■Exports (Jan.)	230,498	242,011	.....	.....	—4.8
FINANCE (millions $1)					
Bank debits (Dec.)	5,063	4,850	61,217	54,509	+12.3
Bond sales (Jan.)	193	132	.....	.....	+46.2
Life insurance sales (Nov.) ..	53	54	566	535	+5.8
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Nov.)	3.1	2.9	32.7	31.4	+3.8
Cotton consump., lb. (Dec.)	12.6	14.1	161.0	179.9	—10.6
■Cigarette cons. No. (Jan.)	1,159	1,010	11,244	11,527	—2.5

(1) Base period 1935-39=100
(2) All industries
■New items for week
(3) Bank of Commerce est.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

Investment Securities

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LIMITED
Metropolitan Building, Toronto
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FARMS are Factories

The average farm is really an economic unit in itself — a highly departmentalized "factory" with many production departments which must be serviced and supplied like any other factory. That is why the farmer buys in such large quantities and is a continual customer for nearly everything. And because most of his buying has been curtailed by war-time restrictions, he has a terrific backlog of post-war spending dollars.

You can reach the largest single reader audience in Canada's rich rural market through ONE magazine — the Family Herald and Weekly Star—300,000 every week.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

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ENGLISH MIXTURE

W-344

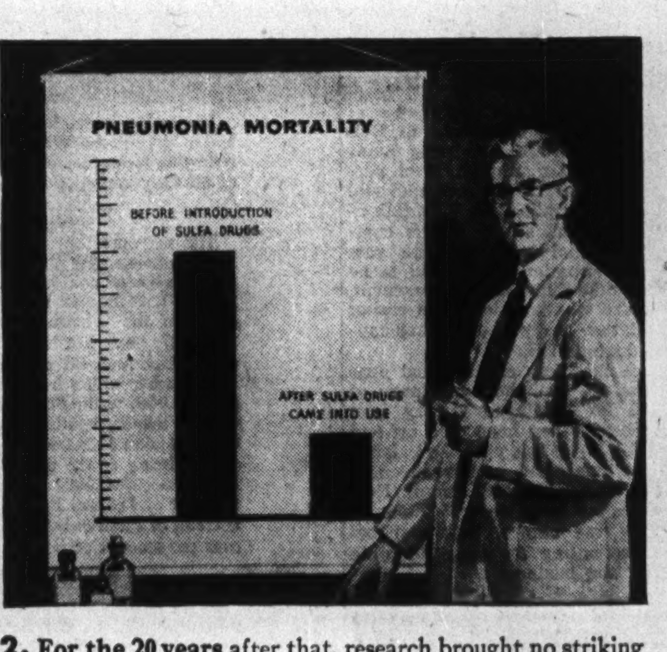
What's this new word

"Chem'o-ther'a-py?"

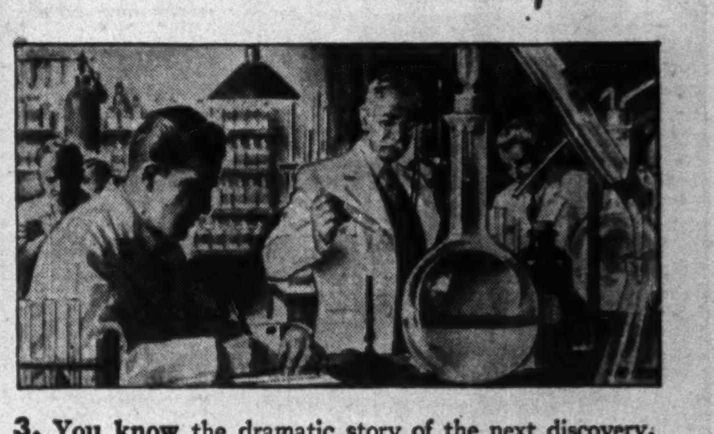
Medical Science is full of strange and unusual words.

One of the most exciting is "chemotherapy." As it may mean a lot to you—you might like to know more about it.

1. Many of our badly wounded soldiers, sailors, and airmen owe their lives to new drugs...sulfa and penicillin...which have had spectacular success against perils like gangrene, terrible burns, and blood poisoning. Chemotherapy—which takes advantage of the effects of chemical action upon body tissues and invading bacteria—is ages old in theory. But its modern, most effective practice began soon after 1900 with the discovery of salvarsan.



2. For the 20 years after that, research brought no striking discoveries. Then a strange chain of events revealed that a patented dye possessed a life-saving element. And so, the sulfonamide drugs were made available to the world. In the less than ten years they have been in common use, they have saved countless lives. Some forms of meningitis, streptococcic infections, and other dread diseases, including the common forms of pneumonia, have met a powerful adversary.



3. You know the dramatic story of the next discovery, penicillin. Although not strictly a chemical, it attacks some of the same germs as the sulfa drugs—and others against which these drugs have little or no success. But the search for other "specific" chemicals is far from over. Medical scientists constantly seek to improve existing ones and find new germ-fighting elements. There must be long and careful experiments for each discovery, for sometimes the "germ-poison" is poisonous to the human body, too.

4. But chemotherapy is no cure-all. Because it does so much to reduce the deadliness of some of our worst diseases, some people may expect it to perform miracles. It must always be remembered that these chemicals should not be used without sound medical advice, otherwise there may be detrimental results. But chemotherapy, rightly used, is a tremendous gift of medical science to our civilization.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
NEW YORK

Frederick H. Ecker, CHAIRMAN OF THE BOARD *Leroy A. Lincoln*, PRESIDENT

CANADIAN HEAD OFFICE: OTTAWA

TO EMPLOYERS:
Your employees would like to know these facts about the wonders of Chemotherapy. On request, Metropolitan will gladly send you enlarged copies of this advertisement for posting on the bulletin boards of your plant or office. Please address your request to the Canadian Head Office, Ottawa.

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STANTON, HATCH & McCARTHY

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¶ Training of foremen and supervisors in methods improvement, cost reduction, personnel relations and work simplification.
¶ Surveys of sales, distribution and merchandising methods, and analysis of markets.
¶ Surveys and installation of production, budgetary, profit and cost control methods and systems.
¶ Complete surveys of operations and organization.

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You Asked Us

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Supports Deserted Wife

I notice that according to the new income tax forms, a husband must support his wife if he wants to claim married status as regards 1944 income tax, on her account. For some years my father has not been supporting my mother. She has been living with me in a self-contained domestic establishment and is wholly dependent on me. I am single. Can I claim married status for income tax on account of my mother.

Yes. Provided you can prove to the income tax authorities that your father is not supporting your mother, you can claim married man's status on her account. You would need to give full information as to where both father and mother are domiciled.

Gives Stocks to Wife

If I transfer $10,000 worth of stocks to my wife, who pays the tax on the income derived therefrom? I owe about $4,000 on the stocks in question, will I be allowed any deductions from income for tax purposes, if I continue to pay the interest on the balance owing?

The stocks will still be considered part of your estate for income tax purposes and you will be taxable therefore on the income derived from them. You may, however, deduct interest paid on the balance owing from your income before computing tax.

INVESTMENTS

Toronto Stock Exchange

Last week you listed the stocks used by the Toronto Stock Exchange in computing the industrial and gold averages. Would you please do the same for the base metals and western oils?

Following are the 10 base metals stocks and 15 western oil stocks used by the Toronto Stock Exchange in computing the averages in these two fields.

Base Metals	Western Oils
Aldermac	A. P. Consolidated
Base Metals Corp.	Anglo Canadian
Cons. Smelters	Calgary & Edmon.
Falconbridge	Calmont
Hudson Bay	Commonwealth
Int. Nickel	Dalhousie
Noranda	Davies Pete.
Pend Oreille	East Crest
Sherritt Gordon	Home Oil
Waite Amulet	British Dominion
	Model Oils
	Okalta
	Royalite
	United Oil
	Vulcan

Belleterre Quebec

Would you kindly give me some information on Belleterre Quebec Mines—earnings, ore reserves and prospects, etc?

Belleterre Quebec Mines is one of the better of Canada's junior gold producers. Despite war difficulties, the company has been able to maintain production at close to the best level yet achieved and average recovery in the year ended March 31, 1944, at $14.53 a ton was the best to date.

Ore reserves, on the basis of present mill capacity, are sufficient for nearly six years' milling requirements and it is quite possible that the company will consider expansion shortly after the war.

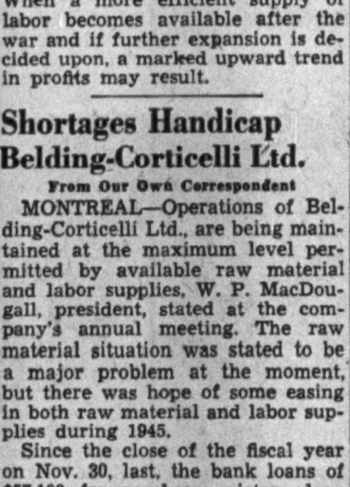
Working capital has shown a marked improvement from $210,298 on March 31, 1942 to $1,017,270 at March 31, 1944. Earnings have not shown much variation in the last few years and amounted to $401,841 in the year ended March 31, 1944 with 1,500,000 shares outstanding. When a more efficient supply of labor becomes available after the war and if further expansion is decided upon, a marked upward trend in profits may result.

Shortages Handicap Belding-Corticelli Ltd.

From Our Own Correspondent

MONTREAL—Operations of Belding-Corticelli Ltd., are being maintained at the maximum level permitted by available raw material and labor supplies, W. P. MacDougall, president, stated at the company's annual meeting. The raw material situation was stated to be a major problem at the moment, but there was hope of some easing in both raw material and labor supplies during 1945.

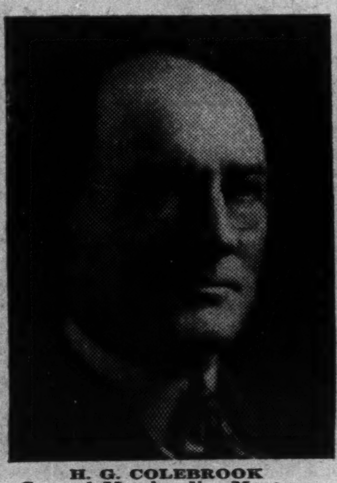
Since the close of the fiscal year on Nov. 30, last, the bank loans of $57,100 for employee victory loan subscriptions had been paid off and as of Jan. 31 of this year the balance due for taxes had been reduced to $37,032 from $167,638 shown Nov. 30, Sales last year were 13% ahead of the year before, with war orders accounting for a considerable part of the business.



PROMOTED

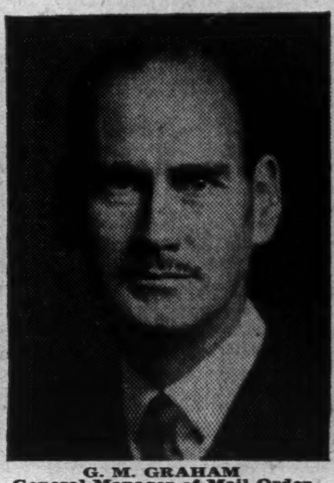
Roy A. Gunther, appointed field sales manager in charge of wholesale and retail tire sales, B. F. Goodrich Rubber Co. of Canada.

Simpson Company Announces Important New Appointments



H. G. COLEBROOK
General Merchandise Manager

S. S. FLETCHER
General Manager of Toronto Store



G. M. GRAHAM
General Manager of Mail Order Division

J. G. CLARK
General Superintendent

G. H. BAKER
General Sales Manager

THE TORONTO GENERAL TRUSTS CORPORATION

REPORTS

TO ITS CLIENTS AND TO THE PUBLIC

	1942*	1943*	1944*
ASSETS OF ESTATES, TRUSTS AND AGENCIES UNDER ADMINISTRATION, Exclusive of Corporate Trusteeships and Corporate Agencies	228,225,000	234,627,000	241,627,000
CAPITAL AND GUARANTEED ASSETS			
Office Premises	$ 1,600,000	1,550,000	1,500,000
Real Estate Held for Sale	1,512,000	948,000	262,000
Mortgages and Agreements	12,002,000	10,964,000	9,086,000
Government Bonds and Municipal Debentures	4,347,000	5,941,000	9,102,000
Stocks, Bonds and Call Loans	608,000	1,431,000	2,016,000
Sundry Assets	183,000	156,000	122,000
Cash on Hand and in Banks	2,096,000	1,532,000	1,694,000
	22,348,000	22,522,000	23,782,000
CAPITAL AND GUARANTEED LIABILITIES			
Sundry Liabilities	111,000	152,000	175,000
Savings on Deposit	6,667,000	6,576,000	7,942,000
Guaranteed Certificates	10,492,000	10,650,000	10,422,000
Shareholders' Equity:—Capital	3,000,000	3,000,000	3,000,000
Surplus	2,078,000	2,144,000	2,243,000
	22,348,000	22,522,000	23,782,000
NET OPERATING PROFITS	309,000	395,000	444,000

*As at December 31st

Reviewing the results for the year ended December 31st, 1944, Mr. W. G. Watson, General Manager, made the following comments on the financial position and progress of the Corporation at the 63rd Annual Meeting:—

INCREASE IN PROFITS

The net operating profits for the year, after making ample provision for all ascertained and anticipated losses, but before taxes and depreciation of Office Premises, were $444,193, an increase of $48,338. over 1943. These profits, added to the balance brought forward from 1943 of $614,307, made a total of $1,058,500, which was dealt with as follows:—in paying four quarterly dividends of 1% together with a bonus of 1%, making a total return of $150,000. to the Shareholders, or 5%, on the Capital stock of the Corporation; in setting aside for Federal and Business taxes $125,000, an increase of $15,000. over the appropriation of the previous year; writing down Office Premises $50,000. and in providing for our Staff Retirement or Pension Fund $50,000, which left a balance at credit of Profit & Loss account of $683,500, an increase over the amount carried forward a year ago of $69,193.

INCREASE IN RESERVE FUND

As the balance at credit of Profit & Loss had reached the sum of $683,500, the Reserve Fund was increased to $1,750,000. by the transfer of $250,000. from this account, which left a balance of $433,500.

INCREASE IN ASSETS UNDER ADMINISTRATION

1944 marks a new high record in the volume of Assets under Administration for a total of $265,410,128, an increase over the preceding year of $8,260,262. In this important increase, the three sections of the Balance Sheet shared as follows:—

Corporation's own Capital account	$ 121,578.
Guaranteed Trusts (including Savings on Deposit)	1,137,975.
Estates, Trusts and Agencies	7,000,709.
	$8,260,262.

INCREASE IN LIQUIDITY

Our liquid position in relation to Funds on Deposit at 153%, compares with 126% last year.

SIXTY-THIRD ANNUAL REPORT

BRISK REAL ESTATE MARKET

Sales in 1943 by the Corporation of both city and farm properties throughout Canada for a total of $3,136,032. for all accounts—Estates, Agencies and the Corporation's own Real Estate—showed an important increase over 1942 when our total was $2,641,102.

In 1944, however, the activity has extended to include industrial properties, warehouses, stores and other classes of business properties as well as showing further expansion in the sale of dwelling houses and farm properties, in the latter more particularly in Western Canada.

At Head Office in Toronto and our nine Branches from Montreal west to Vancouver, the sales negotiated in 1944 for all accounts reached 992 in number for a total of no less than $4,774,911. or an increase over 1943 of $1,638,879.

In connection with these 992 sales, the down payments amounted to $2,322,246., or an average of 49% of the total realized, which would seem to augur well for the due completion of these many sales.

TRANSITION FROM TENANCY TO OWNERSHIP

I think we cannot over-emphasize the significance of what is happening throughout Canada of which our own experience is but a cross section. In recent years a remarkable transition from tenancy to ownership of city homes and farms has taken place which will be a source of great strength to our national economy when the war is over.

PUBLIC INDEBTEDNESS REDUCED

With the major exception of the Dominion Government—of course due to the exigencies of the war—public indebtedness has been greatly reduced in recent years. Particularly in 1943 and 1944 public and private debts have been sharply cut.

The reduction in mortgage indebtedness, as disclosed in our Balance Sheet, is but a sample of what is happening throughout Canada, largely because everybody is employed at good wages and the farmer for the most part is realizing a fair return for his products. The Provinces and Municipalities with few exceptions have shown most gratifying reductions in their obligations in recent times.

Western Canada excelled herself in 1944 in a specific performance of debt retirement—unmatched anywhere, I am certain, in a single year. In our own case, we had 24% of our farm mortgages outstanding on January 1st, 1944, paid off and discharged during the year and the amount under farm mortgage investment, reduced by 25%.

These are factors which will be found of great value in early post-war years.

DEMAND FOR ESTATE SERVICES

In our Estates and Personal Trusts and Agencies Department, we have enjoyed one of our very best years in the volume of new business assumed and in the net increase of assets under administration, viz., over $7,000,000.

68% OF ESTATES UNDER $25,000

In 1944, out of a total of 210 Estates which fell in for administration, while several ran over a million dollars, 68% were less than $25,000. Sound proof of the statement we so often make that a substantial portion of our Estates business is had through the smaller Estates, which we are always glad to serve. Indeed for the last five years, including 1944, 62% of all the Estates falling in have been under $25,000.

COMPARATIVE STATEMENT 1943-44

To simplify and make clear the effect of our operations a concise but comprehensive Statement combining our own Capital Assets and Liabilities with those of the Guaranteed section, covering the last two years—1943 and 1944—has been prepared *(shown above)*. Its main features are:—

(a) The marked decrease in our Real Estate holdings shown for sale during 1943 and 1944, viz., from $1,512,000. to $262,000, or $1,250,000.

(b) The sharp reduction in mortgage investments, including interest due, from a total of $12,002,000. at December 31st, 1942, to $9,086,000. at December 31st, 1944, or a decrease of $2,916,000.

(c) Against these two major decreases, however, our holdings of Government bonds and Municipal debentures show an increase of $4,755,00. from $4,347,000. to $9,102,000.

A copy of the Report will be sent on request.

TRUST SERVICES SINCE 1882

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TODAY'S COMPLEX ECONOMY

rests upon the constant interplay of innumerable financial forces. We study them constantly for our customers' Benefit.

Write for our recommendations.

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Compare the service outlined below with your own methods of insuring against the ever-present threat of credit loss. Be sure to note the added advantage of quick capital turn-over.

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Subsidiary of Industrial Acceptance Corporation
With capital resources in excess of $5,000,000

LONDON CALLING — BY ADELPHI

Easy Victory For British Labor Party?
Gallup Poll Offers Shadow of Doubt

LONDON (by cable)—The British may not take opinion sampling as seriously as the Americans do, but a recent Gallup poll here has attracted more than passing attention. The question: "Who would you like to see as head of the Government after the war?"

According to the poll, 30% favor Eden, 20% Churchill, 6% Stafford Cripps, 3% Atlee, with various others including Sir Richard Acland getting one or two votes. This popularity of Eden is interesting because one would hardly think that British foreign policy would arouse such enthusiasm these days. It is also interesting that Churchill is regarded by many as a grand war leader, but not necessarily the man for the postwar period.

Yet the most puzzling feature of all is the bad showing of the labor leaders in a period in which Britain is supposed to be moving to the Left. If the Socialist Party wins the next election, it will hardly have Eden at its head, or Churchill. Then why do Dr. Gallup's patients name two Conservatives as leaders they would desire?

Can it be that we have been overestimating the Left Wing boom?

Well, the worthy doctor has given us something to think about.

* * *

Too Many Air Accidents So Britons Want Enquiry

There is considerable uneasiness over the number of fatal flying accidents in which eminent people have died. The latest one—in which 15 of Churchill's secretariat and crew lost their lives on the way to the Big Three conference—has brought matters to the point of demanding an enquiry. It may be that an engine failed, or that the wings became coated with ice. But the public would like to be certain there is no possibility of sabotage. The trouble with planes going to a peace conference is that the period of conference is usually fairly well known. Nor is the public satisfied that the aerodromes of departure are as secret and inaccessible as they should be.

The loss of so many brilliant members of Churchill's secretariat must not only have thrown a deep shadow over the conference, but also greatly hampered the discussions.

* * *

Major Armstrong, Ontario's agent-general in London, is giving a luncheon at the Dorchester for Canadian delegates to the international labor conference just concluded. He has asked most Canadians in public life over here as well as various Cabinet ministers and a peer or two. Armstrong is much liked for his modesty and conscientiousness. It is one of life's paradoxes that tall handsome men are often modest, whereas short men are apt to think themselves Napoleons or Casanovas.

* * *

The Canadian Navy Show continues to play to packed houses at the Hippodrome, adding to the warmth of feeling toward Canada and things Canadian.

* * *

News that 585 people were killed in January by V-bombs is a reminder that we still live in Southern England in the midst of horror and sudden death. Admittedly we shrug our shoulders and go about our business—there is nothing else to do. Actually, of course, the bombing is spasmodic, haphazard and not to be compared with other days, but the threat is always there, and takes its toll of the more nervous and exhausted sections of the public.

It seems a long way back to that world we once knew where a street car accident with two people killed was big front-page news.

* * *

Government in Quandary Over War-Improved Land

While Churchill and Eden were abroad, Sir John Anderson, Chancellor of the Exchequer, had a parliamentary uproar on his hands. He was to move second reading of the Requisitioned Land and War Works bill, and the Tories were in an ugly temper. The Socialists for their part were torn between dislike of the bill and the electoral advantage of supporting it, while pointing out the wickedness of the Tories in opposing it.

As usual, there is much to be said for and against the measure. The Government claims that having requisitioned land for war purposes, and having spent vast sums on building and improvements, it would be unfair to the taxpayers to restore the land to the original owners without charging for the value of the improvements. But the bill also gives the Government power to retain or divert lands taken over from local authorities, including those which normally have public right of way.

The Tories see in this a sinister challenge to the whole principle of, and fair compensation for, land ownership. Sir John promises to create an independent commission to adjudicate between the owner and the Government. But the Tories point out that commissions almost invariably are prejudiced in favor of the Government case.

The Tory Party is divided as to tactics. Some members think they should express disapproval, but not vote against the Government at this stage of the bill's progress, reserving their destructive fire for the committee stage. Others think the Party should rebel now.

Anderson is in a very difficult position. He knows the bill is unpopular, but he knows too that it would be extremely difficult to withdraw now.

* * *

The McNaughton by-election results did not surprise political students here. It is believed in London that intercession by John Bracken not only was effective, but will give the Progressive Conservative leader enhanced prestige. It is only fair to note that McNaughton is highly regarded by all who met him here except perhaps some of the mighty ones in the military heirarchy. The loyalty of his friends here will not be altered by his defeat.

* * *

At first hearing, the proclamation of the Big Three sounds splendid and if under further scrutiny it stands up to the first impression, then the poor old troubled world may find hope stirring at last. The decision to broaden the basis of the Polish Government will do a lot to sweeten the Tory Party's attitude toward Russia.

Our pulses beat faster with returning faith in the essential sanity of humanity.

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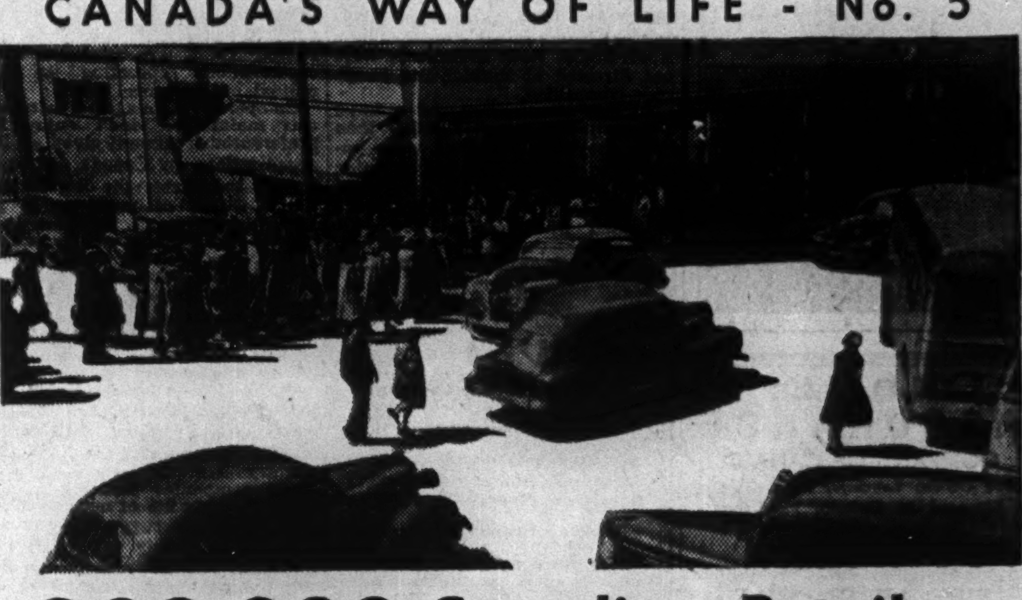
34 KING ST. E. — TORONTO 2, ONTARIO

"THE LARGEST EXCLUSIVE HEALTH AND ACCIDENT COMPANY IN THE WORLD"

CANADA'S WAY OF LIFE - No. 5



200,000 Canadian Retailers Compete for Business

NOTHING, in normal times, lies out of reach of Canadian consumers by aid of Canada's retail shops. From the great department stores in the cities down to the general store at the cross-roads, Canada's retailers are serving the Canadian public well.

Individual initiative . . . free enterprise . . . personal responsibility . . . the spirit of competition in service rendered the public—these are the qualities which have made Canada's retail stores what they are.

Imperial Bank of Canada carries the names of thousands of retailers on its books. In the post-war period many young men will seize opportunities where need for retail services to growing communities will develop. They may look to this bank for friendly consideration of their problems.

SERVICE TO RETAILERS

Chequing Accounts
Savings Accounts
Business Loans
Personal Loans
Collections
Banking by Mail
Letters of Credit
Travellers' Cheques
Safety Deposit Boxes
Victory Bonds
Safekeeping
Money-Orders
Foreign Exchange
Ration Coupon Accounts

IMPERIAL BANK OF CANADA

"The Bank for You"

306

Canadian Mutual Benefit Assoc.
Assessments Climb in War Years

From Our Own Correspondent

VANCOUVER—Evidence is accumulating that the assessments on members of the British Columbia life insurance clubs have been steadily increasing. These clubs or societies undertake to pay a stated sum—usually from $500 to $2,500—to the beneficiaries of the members, the funds being raised by an annual membership fee plus annual assessment on each member. These assessments are equal for members of all ages and vary from year to year according to treasury need.

Most recent example of increasing assessments brought out before the provincial commission enquiring into 13 B. C. societies or clubs offering death benefit or life insurance is the record of Canadian Mutual Benefit Association whose assessments have shown successive increases for the last four years.

Rise $4 in Four Years

C. C. Bell, president of the Canadian Mutual testified that assessments on its "A" group which pays an indemnity of $2,500 were $37 in 1941, $37.50 in 1942, $40.70 in 1943 and $41.50 in 1944. In "B" group which pays an indemnity of $1,000, assessments were $26.80 in 1942 and $30.45 in 1944. The average age limit for new members is 65 but agents are instructed not to sell new members over 55.

Commissioner Cowan, conducting the enquiry, suggested the number of deaths was increasing, membership decreasing. Mr. Bell replied that due to the war it is difficult to get satisfactory agents and the tendency is for the membership to average older. He claimed membership would increase when agents were again available.

Sold Father Policy at Age 74

The evidence brought out that G. W. Spiers, secretary manager of the association had been paid $2,500 as beneficiary of a policy he sold his 74 year old father in 1931. The elder Spiers died in 1937, after paying $151 in premiums. Bell stated that the by-laws in 1931 provided that not more than 3% of the members could be over 55. The 3% limit was not exceeded when Spiers sold his father the policy.

It was also testified that G. W. Spiers as secretary-manager had received about $60,000 from 1932 to 1944, plus $3,000 in directors fees for the same period. Income of the Canadian Mutual from 1936 to 1944 was $1.2 millions and benefits paid to holders of A and B policies $980,487.

Export Homes Ltd. Seeking UK Order

From Our Own Correspondent

VANCOUVER — Export Homes Ltd., is the name of a new subsidiary of Dominion Construction Co., Vancouver, which is planning to ship prefabricated houses to the United Kingdom. Charles Bentall heads both companies.

Dominion Construction Co.'s sample prefabricated house has now been erected for display in Liverpool, Eng.

Government agencies are co-operating in the demonstration which is hoped may result in large orders. The United States is also considering the shipment of some 37,000 prefabricated houses to the United Kingdom.

One of the problems is how the houses will be paid for. Some form of mutual aid is understood to be under consideration.

Homer Yellowknife Mines shares were called for trading on the Toronto Stock Exchange on Feb. 19. Ticker abbreviation is HOM.

CANADIAN BREWERIES LIMITED
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AT THE 31st OCTOBER, 1944

ASSETS

Current Assets:			
Cash on Hand and in Banks		$1,133,470.81	
Investments mainly consisting of shares of other companies engaged in the brewing industry (Quoted Market Value $4,502,000.00)		4,757,360.50	
Accounts and Bills Receivable less reserve for Doubtful Accounts		422,541.02	
Stocks of Beer and Supplies valued on the basis of cost and containers at estimated value not in excess of replacement cost as certified by responsible officials		4,226,391.23	
Prepaid Expenses		73,340.79	
			$10,613,104.35
Refundable Portion of Excess Profits Tax			1,131,723.11
Deferred Charges:			
Debenture discount and expenses, less amounts written off		$ 204,392.88	
Sundry		161,840.21	
			366,233.09
Fixed Assets:			
Land		$1,276,310.05	
Buildings	$5,369,026.90		
Plant and Equipment	6,606,517.69		
	$11,975,544.59		
Less Reserves for Depreciation	4,474,228.36		
		*7,501,316.23	
			8,777,626.26
*Buildings, Plant and Equipment with the exception of certain assets included at a net book value of $363,106.67 are valued on the basis of independent appraisals made in previous years, plus subsequent additions at cost, less retirements.			
Sundry Properties and Investments including interest in affiliated company and subsidiary company not consolidated in balance sheet at book values, less reserves			1,045,472.63
Premium Paid on Purchase of Shares of Subsidiaries acquired since the 31st October, 1943			883,915.34
			$22,818,074.78

LIABILITIES AND CAPITAL

Current Liabilities:		
Accounts Payable and Accrued Liabilities	$1,483,132.75	
Income and Excess Profits Taxes accrued less payments thereon	2,140,201.54	
Note: Excess Profits Tax included at estimated amount subject to determination of standard profits.		
Notes Payable—Secured	1,657,006.81	
Sundry Secured Accounts	142,285.91	
		$ 5,424,627.01
Debentures—Secured by First Mortgage: Authorized	$10,000,000.00	
Issued — $5,000,000.00 of which $200,000.00 have matured.		
Outstanding:		
Serial Debentures maturing in annual instalments of $200,000.00 on the 1st July in each of the years 1945 to 1952 inclusive and $300,000.00 on the 1st July in each of the years 1953 to 1960 inclusive and $400,000.00 on the 1st July in each of the years 1961 and 1962 and bearing interest at various rates from 3¼% to 4½% according to date of maturity		4,800,000.00
Inventory Reserve		404,596.40
Capital and Surplus represented by:		
$3.40 Cumulative Sinking Fund Convertible Preference Shares of no par value.		
Authorized—250,000 shares.		
Issued—229,997 shares after deducting 228 shares redeemed and cancelled	$6,406,384.47	
Common Shares of no par value.		
Authorized — 1,300,000 shares.		
Issued—750,000 shares	1,308,305.64	
Note: Option rights are outstanding in respect of 135,000 shares at $10.00 per share, expiring the 1st October, 1945.		
Capital Surplus	1,737,064.62	
Distributable Surplus	2,737,096.64	
		12,188,851.37
Contingent Liabilities:		
Capital Expenditure Commitments	$1,150,000.00	
Sundry Guarantees, etc.	150,000.00	
	$1,300,000.00	
		$22,818,074.78

We have examined the books and accounts of Canadian Breweries Limited, and of its Subsidiary Companies with two exceptions referred to hereunder, for the year ended the 31st October, 1944. In connection therewith we tested accounting records and other supporting evidence and made a general review of the accounting methods and of the Profit and Loss and Surplus Accounts for the year. In the case of two Subsidiary Companies not audited by us we have had produced to us Balance Sheets as at the 31st October, 1944, with relative Profit and Loss and Surplus Accounts, certified by Chartered Accountants, which have been accepted by us for inclusion in the above Consolidated Balance Sheet. We refer you to the Report to Shareholders by the Chairman of the Board of Directors for additional information concerning shares of an affiliated Company included in the balance of $4,757,360.50 for Investments. Based upon such examination we report that all our requirements as auditors have been complied with and that, in our opinion, the accompanying Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of Canadian Breweries Limited and its Subsidiary Companies as at the 31st October, 1944, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

GEORGE A. TOUCHE & CO.
Chartered Accountants, Auditors.

DATED at Toronto, Ontario, 23rd January, 1945.

Approved on behalf of the Board, E. P. TAYLOR, *Director.* D. C. BETTS, *Director.*

DISTRIBUTABLE SURPLUS
For the Year ended the 31st October, 1944

Balance at Credit the 1st November, 1943			$ 2,103,556.27
Add:			
Net Profit for the year ended the 31st October, 1944		$1,271,284.60	
Less: Net Profits applicable to minority shares to date of acquisition of same		11,956.38	
			1,259,328.22
			$3,362,884.49
Deduct:			
Dividends Paid on Preference Shares			625,787.85
Balance at the 31st October, 1944			$2,737,096.64

SEVENTY-FOURTH ANNUAL REPORT

THE ONTARIO LOAN AND DEBENTURE COMPANY

Presented at Annual Meeting Held February 14th, 1945

FINANCIAL STATEMENT
For the Year Ended December 31st, 1944

ASSETS

Cash on hand and in Banks		$ 436,090.74
Deposits with and Securities of Loan and Trust Companies of Canada		371,690.30
Dominion and Provincial Govt. Bonds		6,107,823.50
Canadian Municipal Bonds		141,878.97
		$ 7,057,483.51
Loans on Stocks and Bonds	$ 109,950.88	
Mortgages on Real Estate—Principal	11,100,333.10	
Real Estate Held for Sale	50,362.35	
Agreements for Sale	196,004.37	
Office Premises	100,000.00	
		11,556,650.70
		$18,614,134.21

LIABILITIES

To the Public:		
Deposits		$ 4,168,718.69
Debentures		9,775,614.63
Reserve for Income Taxes		98,099.90
Other Liabilities		6,506.03
		$14,048,939.25
To the Shareholders:		
Capital	$ 2,000,000.00	
Reserve Fund	2,400,000.00	
Quarterly Dividend payable 2nd January, 1945	50,000.00	
Balance carried forward	115,194.96	
		4,565,194.96
		$18,614,134.21

PROFIT AND LOSS ACCOUNT

Provision made for Dominion Income Tax for 1944 ($68,000 00 of this amount was paid in 1944)	$136,000.00
Transferred to Benefit Fund for Employees	13,000.00
Usual Dividends paid	200,000.00
Balance carried forward to 1945	115,194.96
	$464,194.96

Balance brought forward from previous year	$112,071.81
Net earnings for the year ended 31st December, 1944, after payment of Interest on Deposits and Debentures, Expenses and Charges, all known losses having been met	352,123.15
	$464,194.96

A YEAR OF GROWTH — ASSETS INCREASED TO $18,614,134.21

Net earnings for the year before Income Tax $352,123.15.

All Dominion Income Tax has been paid to the end of 1943 and full provision ($136,000) made from 1944 earnings for the Income Tax on 1944 income.

Deposits and Debentures increased by $760,170.63.

Cash and liquid securities amount to 169% of deposits.

Real Estate Held for Sale reduced to $50,362.35, the lowest figure for many years.

$1,779,104.86 advanced during 1944 on new Mortgage loans, chiefly for the construction of new dwellings.

Payments on Mortgages were exceedingly well met.

Reserve Fund of $2,400,000 exceeds by 20% the amount of paid in Capital, $2,000,000.

BOARD OF DIRECTORS

ARCHIBALD McPHERSON, President — THOMAS H. MAIN, Vice-President
J. McCLARY GUNN — O. ROY MOORE — JAMES B. ORR — J. EDGAR JEFFERY

Manager: Thomas H. Main — Assistant Manager: Joseph P. Dewan — Accountant: F. Earl A. McKellar

Auditors: A. G. Calder, F.C.A. — George S. Jewell, F.C.A.

Solicitors: Jeffery & Jeffery

At the annual meeting of shareholders held at London, Ontario, on the 14th February, 1945, the Seventy-Fourth Annual Report as above was adopted. The Directors were re-elected and the Auditors re-appointed. At a subsequent meeting of the Directors, Mr. Archibald McPherson was re-elected President and Mr. T. H. Main, Vice-President of the Company.

OFFICES: DUNDAS ST. AT MARKET LANE, LONDON, ONTARIO

United States Fidelity & Guaranty Company
TORONTO

"Consult your Agent or Broker as you would your Doctor or Lawyer."

FIDELITY Insurance Company of Canada
TORONTO

HOME ASSURANCE COMPANY OF CANADA
Head Office: Lancaster Bldg., Calgary.
Licensed in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
Application for Agencies Invited.
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE

Insurance Agents Oppose Tax Freedom of Mutuals

Fire and Casualty Insurance Agents in Ontario and Western Canada State Case — Discrimination Against Factory Mutuals Claimed

Ontario fire and casualty insurance agents are opposed to present exemption from taxation of co-operatives and mutual and reciprocal insurers, (other than life).

Their opposition was voiced in a brief presented by the Ontario Insurance Agents Association and the Toronto Insurance Conference to the McDougall Royal Commission enquiring into taxation of co-operatives at Toronto last week. Neither of the two organizations sponsoring the brief include life insurance agents as such in their membership. Accordingly, their arguments were not directed at mutual life insurance companies.

Present exemptions of mutual and reciprocal insurers (other than life), the brief declared, were opposed to the equality of taxation which should be the basis of any tax structure. The situation they indicated was aggravated by the present heavy income and excess profits taxes, much of which, it is believed, will continue into the postwar period.

Penalize Stock Companies

The agents also feel that the present exemptions penalize those businesses where capital is invested and whose earnings are subject to tax. They further argued that if the taxation of money transferred to reserves for the benefit of present and future policyholders of insurers other than life is proper, no exemption should be given where similar funds are transferred by organizations operating on the mutual or reciprocal plan.

Co-operatives in Great Britain it was maintained don't enjoy the preferential treatment given similar organizations in Canada, while in the United States the tax exemption position of mutual and reciprocal insurers has been examined and modified the agents declare.

J. E. Proctor, who presented the agents' brief, was cross-examined by V. Evan Gray K.C. of Toronto, representing the Associated Factory Mutual insurance group who suggested that the tax levied on premiums was in effect an income tax.

In the case of the Associated Factory Mutuals he declared this tax was levied at the rate of 4% on net taxable premiums of the Associated Factory Mutuals group although stock companies insuring similar risks pay only 2% of net premiums. This Mr. Gray suggested was discrimination unfair to the factory mutuals. Agents' organizations at Winnipeg, Edmonton, Calgary, Lethbridge and Medicine Hat had previously opposed present tax exemptions of mutual insurers.

Associated Factory Mutuals

In a brief prepared for submission to the commission Mr. Gray states that the definition of the net taxable premiums in the case of the factory mutuals includes interest on the excess of the premium deposit over net costs. He explained that the premium deposits made by a policyholder with the company form a fund from which the company takes the net cost of insurance to the policyholders, about 10% of the total each year. At the termination of the insurance the balance, called the unabsorbed premium deposit is repaid to the policyholder. The definition of net taxable premiums in the case of the factory mutuals includes interest on the unabsorbed premium deposits which means they are taxed on their income from investments of reserve and surplus although joint stock companies and other mutuals having their head office outside Canada pay no such tax. The 4% tax he explained is a Special War Revenue Tax under the Special War Revenue Tax Act. The tax payable on 1943 premiums of the Factory Mutuals under this act was $34,632 and in addition the companies have paid taxes and license fees imposed by the provinces bringing total taxes up to $44,364.

The Dominion Special War Revenue Act, Mr. Gray states, "is the only enactment known to the companies in which a different rate of premium tax has been fixed for stock and mutual companies. There is no such discrimination in the same statute in relation to the tax on life insurance premiums. No province of Canada and no state in the United States has made any such discrimination in rate of tax."

One Tax Rate Urged

On behalf of the factory mutuals he suggests:

The rate of premium tax should be the same for all types of insurers.

That the tax should be applied to net premiums . . . amounting in all cases to the net cost of insurance to the policyholders.

Present discrimination between premium deposit mutuals and other insurers . . . should be removed.

There is no underwriting profit subject to tax as such in the hands of the factory mutual company, and that as the unabsorbed portion of premium deposits is taxable in the hands of the policyholders of a mutual company . . . they should not be made subject to double tax by being taxed through the company.

The Wawanēsa Mutual Insurance Company
—ORGANIZED IN 1896—

Admitted Assets	$4,382,095.84
Surplus	2,431,602.73
Dom. Govt. Deposit	2,701,545.19

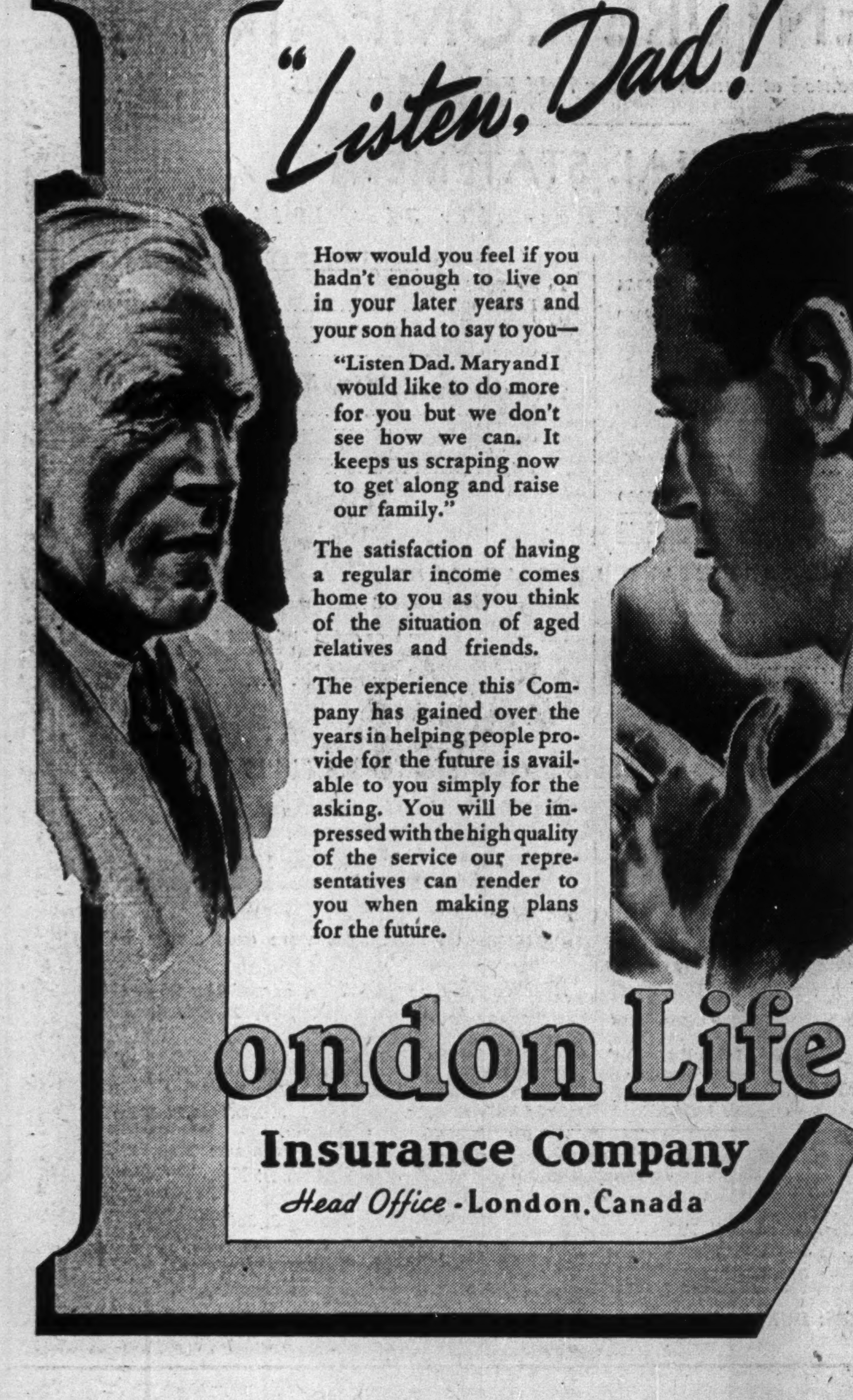
— Write for Financial Statement —
Head Office, WAWANESA, Man.
Eastern Office: TORONTO, Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal.
2,000 Agents Across Canada.

Automobile and General Casualty Insurance
Lumbermens Mutual Casualty Company
Agency Inquiries Invited
"THE SAFETY-MINDED COMPANY"
Fire and Allied Lines Written in Associated Companies
VANCE E. SMITH Res. Sec'y. Concourse Bldg. Toronto Elgin 3355

The Net Value of Your Estate

It can be readily understood why expert management of an estate may show greater returns than if entrusted to an individual inexperienced in such matters, no matter how conscientious he may be. It is equally true that the cost of administration may be reduced through saving of expenses which an individual executor might find necessary. For efficiency and economy, name as your executor

THE STERLING TRUSTS CORPORATION
Sterling Tower, Toronto 1
34 years in Business



See Important Function Of Life Company Funds

The security of, and the service given to the national economy by life insurance investments were among the points stressed by life insurance company executives at recent annual meetings. Extracts from addresses follow.

ESMOND LEONARD, president Industrial Life Insurance Co.

Because the policyholder demands safety and security for his savings, the Canadian life insurance companies are under the safeguards of efficient insurance laws and the experienced supervision of the departments of insurance. Since the savings of people of modest means are set aside, often at great sacrifice, to provide tomorrow for the protection of loved ones and for the insured's independence in old age, it is essential that such monies be not placed in speculative investments. It has always been the aim of the companies to provide the utmost security for the savings of its policyholders. The laws also provide that at least 90% of the profits in the participating branch of the business must be paid to the policyholders or set aside for their benefit.

• • • •

W. SANFORD EVANS, president Sovereign Life Assurance Co.

Life insurance has further expanded its usefulness during the past year and is now serving more persons than ever before in providing security for their dependents and themselves against the hazards of the future. They do this by encouraging regular savings and investing them. Savings must not remain idle, and capital goods and durable goods must be bought, as well as consumables, and in proper proportions, if our economic system is to continue to operate. There is danger that individuals, acting separately, may not invest in the right proportions in the basic elements of the system. Through the life insurance companies intelligent investment is promptly made in all these basic elements. These companies are, in effect, among the biggest buyers of industrial plant and of homes, while in the present emergency they have been notably serving the needs of the government.

Toronto Stock Exchange reports call loans of member firms as of Jan. 31, 1945, totalled $22,460,728 which is a new high record since Dec. 31, 1938, when loans totalled $23,260,216. This compares with $21,521,710 on Dec. 29, 1944, and $13,832,799 on Jan. 31, 1944. Ratio of call loans to quoted market value of all stocks listed on the Exchange at the end of Jan. 1945, was .40 of 1%, unchanged from the previous month, .30 of 1% a year ago and .46 of 1% on Dec. 31, 1938.

International Nickel Co. of Canada, registrars have informed the Montreal Stock Exchange that they have countersigned certificates covering 20 shares of preferred stock (each share $100 par), issued in exchange for certificates covering 400 shares of $5 par preferred stock.

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
CHARTERED ACCOUNTANTS
TORONTO
Branch
KIRKLAND LAKE
ONTARIO

FROM THE 1944 ANNUAL REPORT

Summarizing the main features of the year's operations.
Copies of full Report available on request.

TOTAL CASH INCOME (Increase over 1943, 17.4%)	$ 2,402,781.03
FUNDS HELD IN TRUST FOR POLICYHOLDERS (Increase over 1943, 11.4%)	$10,414,376.92
TOTAL ASSETS (Increase over 1943, 11.1%)	$11,320,690.10
NEW INSURANCE ISSUED (Increase over 1943, 12.7%)	$ 9,333,571.00
INSURANCE IN FORCE (Increase over 1943, 12.8%)	$52,578,007.00

Each of the above items represents an all-time high—Victory Loan purchases absorb major portion of available revenue—Average rate of interest earned on investment assets, 5.50%—Lapsed and surrendered policies at record low level.

- Market value of securities exceed Book Values by a substantial margin.
- Reserves were increased out of surplus earnings by $980,142.27.
- Investment Reserves, Contingency Reserve and Free Surplus now amount to $602,807.43.
- Funds available for protection of policyholders, $10,414,376.92.
- Assets increased by $1,127,017.33 to a total of $11,320,890.10.

BOARD OF DIRECTORS
W. SANFORD EVANS, LL.D., President; DR. E. W. MONTGOMERY, WILLIAM WHYTE, Vice-Presidents; E. E. SHARPE, K.C., JOHN MARTIN, JOHN W. HORN, ROY W. MILNER, C. D. GRAYSON; M. D. GRANT, F.I.A., F.A.S., Managing Director.

THE SOVEREIGN LIFE ASSURANCE COMPANY
HEAD OFFICE - - WINNIPEG, CANADA

The First Mortgage and Collateral Trust Sinking Fund Bonds Series "J" referred to herein are being offered in Canada, but not in the United States of America. This advertisement is not, and under no circumstances is to be considered as, an offering of any of these Bonds for sale in the United States of America or the territories or the possessions thereof or an offering to any resident of the United States of America or a solicitation therein of any offer to buy any of these Bonds.

REFUNDING ISSUE

$9,164,000

The Shawinigan Water and Power Company

First Mortgage and Collateral Trust Sinking Fund Bonds
Series "J", 3½%

To be dated February 1, 1945 — To be due February 1, 1970

Principal and half-yearly interest thereon, February 1 and August 1, and redemption premium, if any, payable in lawful money of the Dominion of Canada at the principal office of the Company's Bankers in the Cities of Montreal or Toronto at the option of the holder. Redeemable prior to maturity, in whole at any time or in part by lot from time to time, on at least 30 days' prior notice at the following percentages of principal amount, with accrued interest to the date fixed for redemption: at 103% if redeemed on or before February 1, 1955; at 102% if redeemed thereafter on or before February 1, 1960; at 101% if redeemed thereafter on or before February 1, 1965; at 100½% if redeemed thereafter on or before February 1, 1968; and at 100% if redeemed thereafter to maturity. Coupon Bonds, registrable as to principal in Montreal and Toronto, in interchangeable denominations of $1,000 and $500.

Trustee: Montreal Trust Company

In the opinion of Counsel these Bonds will be a legal investment for Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended.

The $9,164,000 First Mortgage and Collateral Trust Sinking Fund Bonds, Series "J", 3½% hereby offered in Canada, and $25,000,000 First Mortgage and Collateral Trust Sinking Fund Bonds, Series "K", 3½% to be sold concurrently in the United States of America, are being issued to retire $34,164,000 First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "A", 4½% now outstanding, which are to be called for redemption.

Descriptive Circular will be furnished on request

PRICE: 100 and Accrued Interest

We offer these Bonds if, as and when issued by The Shawinigan Water and Power Company and accepted by us, subject to the approval of all legal matters, on behalf of the Company, by Messrs. MacDougall, Scott, Hugessen & Macklaier, who will also act for the Underwriters.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close subscription books at any time without notice. It is expected that Trustee's Interim Certificates, exchangeable for Definitive Bonds of the Company when available, will be ready for delivery in Montreal and Toronto, on or about February 27, 1945.

The Dominion Securities Corporation Limited

Wood, Gundy & Company Limited	A. E. Ames & Co. Limited	Collier, Norris & Quinlan Limited
Nesbitt, Thomson & Company Limited	Royal Securities Corporation Limited	L. G. Beaubien & Co. Limited
McLeod, Young, Weir & Company Limited	Greenshields & Co Inc	Savard, Hodgson & Co. Inc.
W. C. Pitfield & Company Limited	Bell, Gouinlock & Co. Limited	Mills, Spence & Co. Limited
Cochran, Murray & Co. Limited	Kerrigan, MacTier & Co. Limited	Midland Securities Limited
Gairdner & Company Limited	Matthews & Company	Burns Bros. & Denton Limited
René-T. Leclerc, Inc.	James Richardson & Sons	McTaggart, Hannaford, Birks & Gordon Limited
Société de Placements Inc.	Mead & Co. Limited	Milner, Ross & Company
Brawley, Cathers & Company	Charles H. Burgess & Company	R. A. Daly Co. Limited
Canadian Alliance Corporation Limited	Anderson & Company	Mackenzie & Kingman
J. C. Boulet Limitée	Lagueux & DesRochers Limitée	Oscar Dubé & Cie, Inc.
La Corporation de Prêts de Québec	J. E. Laflamme Limitée	Garneau, Boulanger, Limitée
Eastern Securities Company Limited	Hamel, Fugère & Cie, Limitée	Clément, Guimont, Inc.
Société Générale de Finance, Inc.	Stanbury & Company Limited	Cornell, Macgillivray Limited
F. J. Brennan & Company Limited	T. M. Bell & Company Limited	

The statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

February 20, 1945.

NEW conditions in business and private life that call for increased and wider insurance protection often arise so imperceptibly that they go unnoticed.

New machinery, building extensions, additional equipment, rising inventories, increased turnover and increased profits, fresh fire hazards, new or greater accident hazards and, under present conditions, appreciating property values, all of which can mean risks of greater loss unless your insurance coverage is watched carefully.

Changes at home too, and new purchases of clothing and house furnishings should be considered insurance-wise.

One of our agents will be glad to assist and advise you in maintaining adequate, economical "Board" protection in practically every field.

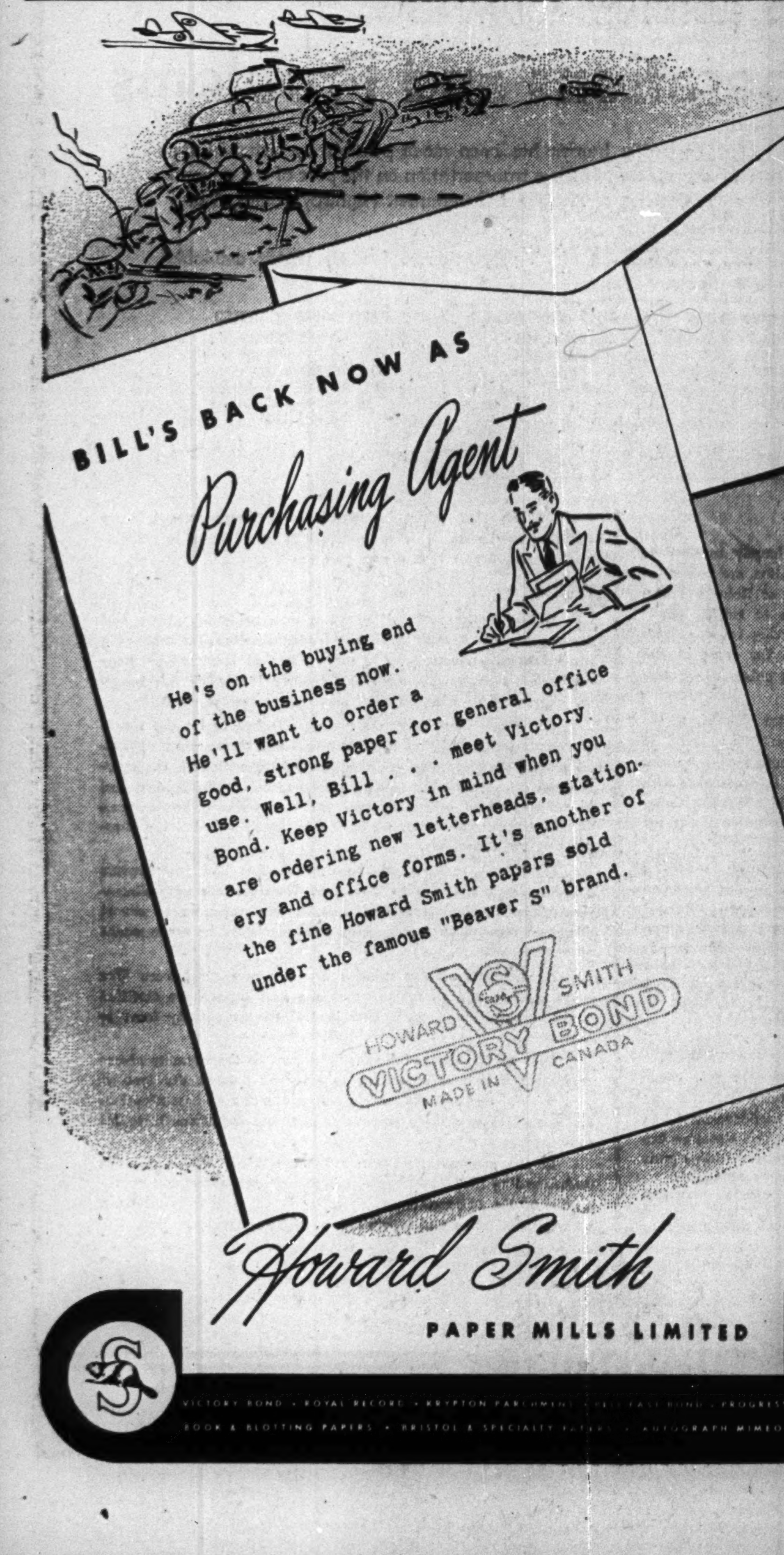
THE LONDON & LANCASHIRE INSURANCE CO.

Associate Companies:—
Law Union and Rock Insurance Co. Limited
Mercantile Insurance Company
Quebec Fire Assurance Company
Offices in: Toronto, Vancouver, Winnipeg, Montreal, St. John, Quebec

Merchants Fire Insurance Company
Hand-in-Hand Insurance Company
The Queen City Fire Insurance Company
HEAD OFFICES: TORONTO

WT-203

Experienced Specialists in Collective Bargaining and Employer-Employee Relations Programs
BURDICK A. TRESTRAIL
Industrial Relations Counsel
51 King St. West, Toronto 1, Ontario



Company Reports

Northern Life

Business in force $69 millions.
New insurance gains 23%.
Total assets higher.

Increases in insurance in force, new insurance written, and total income are shown by the Northern Life Assurance Co. in its annual report for the year ended Dec. 31, 1944. Although this increased business in force and new business effected entailed higher expenses the company's expense rates showed very satisfactory reductions during the year, the reports states.

War losses during the year were high, 21.6% of net mortality losses arising from war claims. But this was entirely offset by exceptionally favorable mortality in the civilian population. Consequently, a reserve of $100,000 set up last year to cover extraordinary losses has been left intact. Net interest rate remained practically steady.

During the year, the company invested $2 millions in Victory bonds, bringing total holdings of Dominion Victory bonds to over 6.5 millions.

Free surplus has been increased during the year by $98,215.

	1944 $	1943 $
Business in force	69,225,098	62,724,550
New insurance	8,694,221	7,998,924
Total income	2,525,772	2,311,976
Premiums	1,709,772	1,527,419
Inv. income	584,868	569,054
Policy payments	867,154	933,104
Total assets	15,002,829	13,860,813
Bonds and debs.	8,800,309	7,493,209
Mortgages	3,695,647	3,837,155
Stocks	658,999	505,276
Pol. loans	1,213,050	1,333,612
Pol. reserves	12,530,330	11,598,391
Free surplus	352,538	254,635
Interest earned	4.04%	4.05%

Maritime Life

Insurance in force higher.
New business $3.7 millions.
Mortality experience lighter.

Gains in both business issued and business in force are shown by the Maritime Life Assurance Co. in its report for the year ended Dec. 31, 1944. The year's new insurance totalled 1,601 policies, with policies in force at the end of the year totalling 11,075. Mortality experience during the year was lighter, death and disability claims amounting to $80,933 against $112,257 in 1943. Total payments to policyholders, since the company began business, now amount to over $2.2 millions. Reserves on policy and annuity contracts increased 11.2% during the year with assets rising 11.5%.

	1944 $	1943 $
Business in force	26,142,824	23,540,108
Business issued	3,729,149	3,431,641
Total income	862,481	738,852
Premiums	592,048	522,038
Inv. income	188,530	174,931
Policy payments	205,529	192,609
Assets	5,034,409	4,514,711
Securities	4,342,611	3,863,052
Mortgages	125,189	150,154
Pol. loans	317,237	218,225
Sh'holders' divds.	7,500	7,500
Interest earned	4.36%	4.52%

Empire Life

Business in force $54 millions.
New insurance shows increase.
Policy payments are higher.

Increases in new business effected, business in force and total assets are shown by the Empire Life Insurance Co. in its annual report for 1944. New business showed an increase in each province in which the company operates.

Payments to beneficiaries and living policyholders during the year at $826,499 set a new high record. Of the total, 36% was paid to living policyholders, with 12% of the policies becoming claims during the year held by members of the armed forces.

Of the company's total assets, over 70% is in bonds or debentures.

Important items from the report with comparisons follow.

	1944 $	1943 $
Business in force	53,895,171	47,826,918
Business issued	9,050,405	6,036,205
Total income	1,980,427	1,827,772
Premiums	1,390,463	1,254,737
Int. & divds.	495,924	487,667
Policy payments	790,714	744,750
Assets	12,796,496	11,992,607
Bonds & debs.	8,789,466	8,072,336
Mortgages	1,308,746	1,293,192
Stocks	1,246,323	1,173,860
Pol. loans	691,821	748,976
Pol. reserves	11,139,248	10,494,057
Free surplus	525,353	500,794
Shareholders' divds.	4%	4%
Interest earned	4.21%	4.43%

Sun Life

Business in force $3.3 billions.
New Insurance $220 millions.
Total assets almost $1.2 billions.

Substantial gains in new insurance written, business in force, total income and assets are shown by the Sun Life Assurance Co. of Canada in its annual report for the year ended Dec. 31, 1944. The insurance in force is represented by 950,119 individual policies and 425,938 certificates of insurance under group plans.

The increase in insurance in force is attributed largely to improved economic conditions, lapses and surrenders having been kept down to the lowest level in the company's history.

During the year, the Sun Life paid out to policyholders and beneficiaries more than $80 millions in addition to $12 million withdrawn from policy proceeds left at interest. Since its inception, the company has paid out $1.7 billions under policy contracts. Of total insurance in force 32% originated in Canada, 41% in the United States, 21% in Great Britain and other British countries, and 6% in other countries.

Despite a substantial increase in war claims, aggregate mortality was only slightly higher than in 1943. The rate of interest earnings continued low especially on government bonds which now form 47.5% of total assets. Total bond investments including municipals, industrials, etc., are 71% of total assets, preferred stocks 1.4%, common stocks 13.1%.

An adjustment of policyholders dividend scales is being made which will result in increased dividends on plans where the mortality factor has the greatest weight as in ordinary life policies, etc. In other plans there will be little if any change.

	1944 $	1943 $
Business in force	3,312,525,426	3,173,417,467
Business issued	220,323,142	214,292,080
Total receipts	184,815,377	174,264,806
Premiums	123,263,774	112,145,762
Int. divds., etc.	39,710,947	38,597,904
Policy payments	80,582,922	74,057,495
Surplus earnings	22,445,133	21,383,670
Total assets	1,179,207,969	1,108,458,667
Free surplus	32,261,551	18,118,207
Interest earned	3.65%	3.72%

Dominion Life

New insurance gains 10%
Business in force $248 millions
Total assets over $62 millions

Dominion Life Assurance Co. which had $248 millions insurance in force on Dec. 31 according to the company's annual report for 1944, has subsequently passed the quarter billion mark, it was reported at the annual meeting in Waterloo last week. New insurance issued during the year at $31.1 millions was up 10% over 1943 and represented more insurance than the company had in force after it had been operating 30 years.

The rise in insurance in force was attributed not only to the large volume of new insurance written but to the low termination rate.

Of total payments under policy contracts amounting to more than $3 millions, approximately 60% was paid to living policyholders. Death claims paid in 1944 were approximately the same as in the last two previous years. War losses to date have not been as great as had been provided for by the company.

Important items from the report with comparisons follow:

	1944 $	1943 $
Business in force	248,411,738	228,107,063
Business issued	31,129,878	28,,373,437
Total income	11,019,309	9,924,824
Premiums	6,890,898	6,261,965
Int. & divds.	2,436,876	2,292,031
Policy payments	3,039,651	3,200,831
Assets	62,347,154	56,963,513
Bonds & debs.	40,725,574	34,072,773
Mortgages	13,996,999	14,885,387
Stocks	1,394,476	1,221,042
Pol. loans	3,550,950	3,900,709
Pol. reserves	50,156,081	46,324,022
Free surplus	2,071,432	2,000,399
Interest earned	4.26%	4.22%

Guelph & Ont. Invest.

Net profits for Guelph & Ontario Investment & Savings for the year 1944 showed little change at $88,552 over profit for the previous year. Assets at $5,781,115 were up somewhat from 1943 figure of $5,527,916.

	1944	1943
Liab. to public, etc.*	$4,265,458	$4,012,551
Shareholders' equity	1,515,657	1,515,365
*Secured by:		
Mtges. & sls. agree.	3,561,894	3,816,255
Office premises	28,079	30,000
Realty for sale	85,139	98,711
Other assets▲	2,106,003	1,582,950
Total	5,781,115	5,527,916
▲Includes stocks and bonds.		
Earned per share	$4.59	$4.59
Paid	2.50	2.50

Western Breweries

Gross income for Western Breweries for the year ended Oct. 31, 1944, showed an increase of over $100,000 from the previous year but sharply increased taxes, including $58,992 refundable taxes, more than offset this and left net profits slightly lower than the previous year. Bonds in the amount of $25,000 were retired on April 1, 1944, leaving a balance outstanding of $350,000.

CONSOL. INCOME ACCOUNT

Years Ended Oct. 31:	1944	1943
Gross income	$653,938	$540,576
Less: Deprec.	70,116	74,073
Bond interest	19,823	21,233
Inc. taxes▲	409,323	258,440
Cont. res.	50,000	75,000
Net profit	104,676	111,830
Less: Com. divds.	85,675	73,436
Surplus for year	19,001	38,394
▲Incl. refund. EPT	58,992	28,815
Times Bond Interest Earned:		
Before deprec.	32.99	25.46
After deprec.	29.45	21.97
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.43	$0.46
Incl. ref. EPT	0.67	0.57
Paid	0.35	0.30

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1944	1943
Cash & Dom. bds.	$411,752	$280,917
Accts. rec.	153,987	96,623
Inventories	415,968	271,635
Total curr. assets	981,707	649,175
Inv. in allied co's.	244,049	312,176
Reliance Sec. Corp.	721,292	721,288
Misc. assets▲	261,801	214,214
Fixed assets	2,127,424	2,459,538
Total assets	4,336,273	4,392,391
Accts., taxes, etc., pay.	438,489	294,126
Total curr. liab.	438,489	294,126
Depreciation res.	1,225,459	1,391,666
War conting. res.	240,115	191,104
Mtges., etc.	387,545	411,065
Capital stock	1,672,651	1,672,651
Surplus▲	372,014	431,781
▲Inc. refund. EPT	93,717	34,725
Working capital	543,218	355,049

Maple Leaf Gardens

Because Maple Leaf Gardens was enabled to claim an increase in its standard profit for excess profits tax purposes, net profit for the year ended Oct. 31, 1944, was higher than in the previous year. During the year $80,000 balance of the original mortgage was paid off.

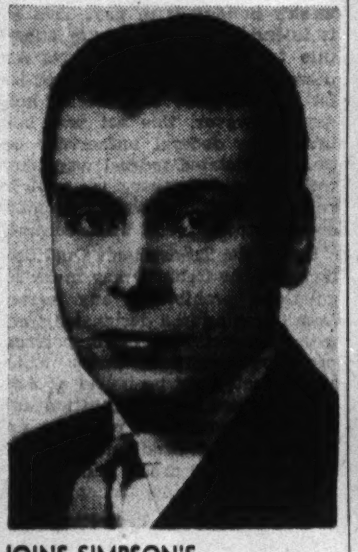
INCOME ACCOUNT

Years Ended Oct. 31:	1944	1943
Net income	$260,227	$268,694
Less: Mtge. int.	1,002	7,238
Depreciation	47,598	50,717
Tax provision▲	123,375	136,056
Net profit	88,252	74,683
Less: Pfd. divd.	55,453	55,453
Surplus for year	32,799	19,230
▲Incl. refund. EPT	11,119	15,054
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$1.11	$0.94
Incl. ref. EPT	1.25	1.13
Paid	0.70	0.70
Com.: Excl. ref. EPT*	0.89	0.52
Incl. ref. EPT*	1.19	0.93
None paid.		

*After deducting full year's pref. divds.

CONDENSED BALANCE SHEET

As at Oct. 31:	1944	1943
Cash & Dom. bds.	$ 233,885	$ 225,632
Accts. rec.	5,918	6,570
Ins. cash val.	60,130	52,146
Total curr. assets	299,933	284,348
Misc. assets▲	148,595	130,205
Fixed assets*	946,127	992,636
Total assets	1,394,655	1,407,180
Accts. pay.	38,237	35,191
Tax reserve	55,817	73,598
Total curr. liab.	94,054	108,789
Mortgage pay.	......	80,000
Prepaid subs.	121,102	83,678
Reserves	26,692	25,834
Capital stock	828,959	828,959
Surplus▲	323,848	279,929
*After depr. of	679,052	631,454
▲Incl. refund. EPT	30,600	19,481
Working capital	205,879	175,559



JOINS SIMPSON'S

Howard S. Mark, Toronto, becomes advertising manager of the Robert Simpson Co.

THE NORTHERN LIFE ASSURANCE COMPANY
OF CANADA
LONDON — ONTARIO

February 12, 1945

To the More Than 27,500 Policyholders of
The Northern Life Assurance Company of Canada

1944 was a good year for your Company.

During the year your Company experienced a satisfactory increase of business in force. The total of business written was $8,694,221 and the net increase of business in force was $6,500,548, bringing the total in force to $69,225,098.

The Company is 48 years old and today is in a stronger position than ever before to carry out its obligations to you. During the past year the Company increased its surplus, experienced a favourable mortality rate, and wrote a large number of policies on people who were already policyholders of the Company.

During the year the Northern Life invested $2,000,000 in Victory Bonds which amounted to more than all the premiums received.

A matter of special interest and pride is the high quality of service which our field force rendered to you and the insuring public.

We are commencing a new year properly equipped and ready to render you the same faithful and competent service. As the years roll by, you will gain increased satisfaction in the protection provided by your policies in The Northern Life Assurance Company of Canada.

An annual statement will be mailed on request.

Yours very truly,

General Manager

Northern Life
Assurance Company of Canada

The Canadian Way

The Spirit of Home

HOME . . . no matter how simple, how grand . . . will always be the place we call our very own.

For here is where happiness, contentment and love are known . . . here we find peace, security and relaxation. Regardless of our station in life . . . or the heights to which we may rise . . . home will always be the same . . . will always be there.

From the lowliest of cottages in this land have risen the greatest of our Canadian leaders . . . for the way ahead in this Canada of ours is free and open wide to all who aspire to greater things. But whatever the achievements of the individual . . . home is where the heart lies.

Home is what we live for and fight for. Our men "over there" realize the true sense of the word "home" perhaps more than we do. And they think of home . . . often.

Let us be sure this spirit of home lives forever in the hearts of every Canadian . . . for come what may, our Canadian way of life, our Canadian heritage, has its foundation in the homes of Canada!

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Sask. Hours-of-work Law Among Seven Labor Bills

44-hr. Week Two Years After War, 40-hr. Week Two Years Later, Proposed by CCF — Tradesmen's Qualification Act Coming Too

From Our Own Correspondent

REGINA—A 40-hour work week is a postwar aim of the CCF Saskatchewan Government. But the Government isn't awaiting war's end. It is presenting at the legislature session which opened Feb. 15, a bill to make the week 44 hours two years after the war, and 40 hours four years after the war. The present work week is 48 hours.

The measure will apply to all Saskatchewan employees except farm workers, domestic servants, employees in family undertakings and supervisory and managerial employees.

There will be no absolute limit on hours but there will be control of overtime rate—time and one half for every hour or part hour up to and including the second hour of overtime, and double time for all subsequent hours.

According to Labor Minister C. C. Williams, this act will take precedence over any act, agreement, contract or custom which is less favorable to employees, but would not affect any provision which is more favorable. No agreement between an employee and employer could deprive the employee of any of the benefits of the act.

The bill cannot be brought into effect until the end of the war, because at present it would conflict with the wartime wage controls.

COMPTROLLER

William B. Gay, elected comptroller of International Harvester Co. of Canada.

Other Labor Legislation

The session will have other items of labor legislation to handle. New acts include a temporary Annual Holidays Act, and a Tradesmen's Qualification Act. Amendments will be made to the Workmen's Compensation, Minimum Wage, One Day's Rest in Seven, and Weekly Half-holiday Acts.

The temporary Annual Holidays Act will make it mandatory for employers to grant employees one week's holiday with pay. This act is intended as a temporary substitute for the Annual Holidays Act, passed at the special session of last fall, which gave two weeks' holiday. However, this act was held invalid by federal authorities because it violated federal wage controls. The temporary act will be valid in that one week's holidays does not contravene these controls.

Under the Tradesmen's Qualification Act, the Cabinet may make regulations prohibiting any person from engaging in a designated trade without a certificate of competency, prescribe conditions under which a certificate may be issued or cancelled; determine the duration and fee of the certificate; prescribe examinations for candidates for certificates in any trade and appoint a board of examiners in any trade.

Called Public Protection

According to the labor minister, the purpose is to protect the public and qualified tradesmen from incompetent operators in certain trades. The present plan is to apply the act first to barbering and hairdressing trades. Similar legislation is reported to exist in Manitoba and Saskatchewan.

Amendments to the Workmen's Compensation Act will raise compensation rates to 75% of the average weekly salary instead of 66 2/3 as at present and provide compensation starting on the second day after injury instead of the third. Increased annual cost to business and industry will be $130,000, and assessment will have to be increased by at least 16%.

Minimum Wage amendments will extend powers of the minimum wage board to permit it to limit the period in any day during which hours of work of an employee can be put in, and to set a minimum age for employees in any occupation. A new section will be added permitting unpaid minimum wages to be collected without court action.

The One Day's Rest in Seven Act and the Weekly Half-Holiday Act will be amended to permit their extension to cover all areas of the province in which the Minimum Wage Act now applies. In addition, the One Day's Rest in Seven Act will be changed to allow two half days to be substituted for the one day's rest for employees of hotels and restaurants.

Say Employees Object

Employees' groups are represented as opposing adoption of the hours of work measure. No legislation should be passed which would place Saskatchewan industries at a disadvantage compared with competing industries in neighboring provinces, says the Saskatchewan Employees Association. The Hours of Work Act should be discussed at a Dominion-provincial conference and should be included in a rehabilitation program, with the object of having uniform legislation throughout Canada, the association believes.

Referring to amendments to the Workmen's Compensation Act, the association said these changes too would penalize Saskatchewan industry to the advantage of competitors.

Canadian Breweries Ltd., 16,647 additional preferred shares, have been admitted to temporary listing privileges by the Montreal Stock Exchange pending approval of formal listing application. Of the 15,647 shares, 15,000 are being issued in connection with the acquisition of shares of other brewing companies.

CHAIRS RETAIL GROUP

J. D. Branch, elected chairman of the retail lumber bureau of the Canadian Lumbermen's Association; is president, Branch Lumber Co., Windsor.

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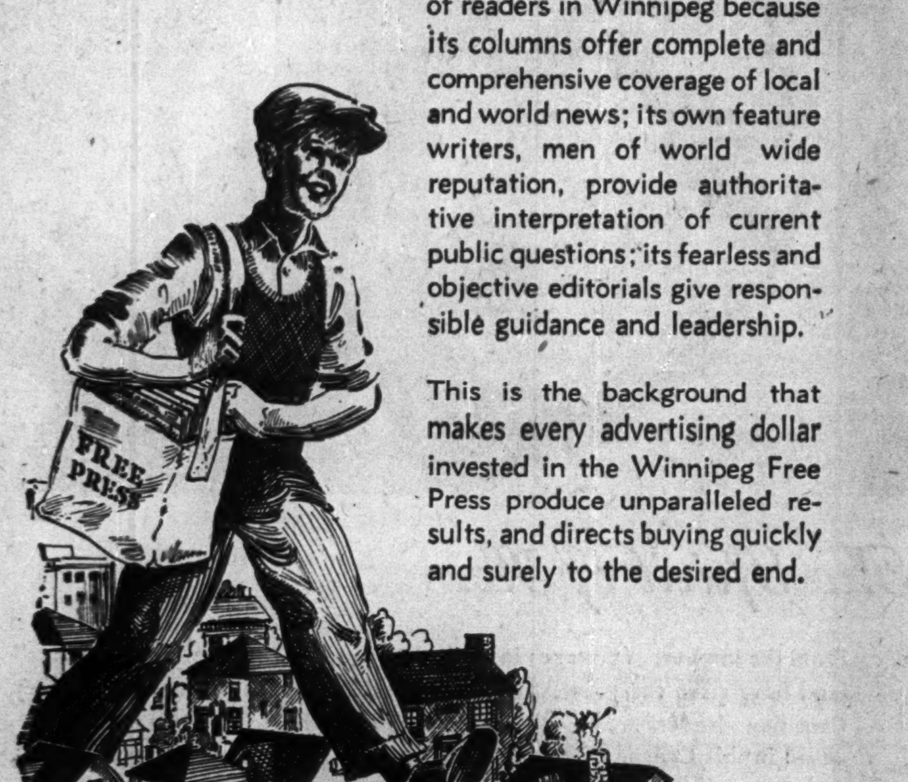

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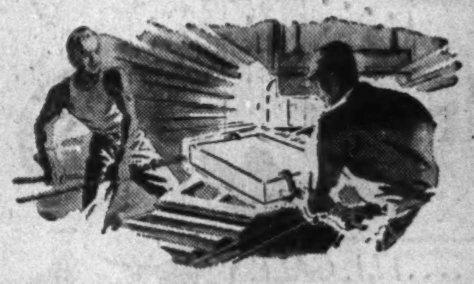

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PROVINCIAL TRANSPORT COMPANY
(AND SUBSIDIARY COMPANIES)

Wartime Operations and Problems

OUR ability to discharge our increasing traffic burden has been made possible by virtue of the steadily growing appreciation of the problems of bus transportation on the part of the general public, and the close co-operation given by Officers of Provincial Government Highway Bodies, Municipalities, Transit Control and Selective Service.

The manner in which traffic has increased out of all proportion to facilities made available to us is indicated by the following statistics.

YEAR	BUSES OWNED	MILES OPERATED	PASSENGERS CARRIED
1939	196	5,927,091	4,760,330
1940	204	6,903,274	6,184,885
1941	227	8,979,212	9,235,323
1942	239	9,622,407	13,613,555
1943	245	8,916,954	16,541,883
1944	271	10,210,066	18,983,213

We believe that a brief explanation of present day problems may be appreciated by our patrons, and by Public Authorities in the territories we still serve, and Districts where services are temporarily suspended.

New Equipment

The production of modern-type buses is largely confined to the United States, and production and distribution are controlled by the U.S. War Production Board and Office of Defence Transportation. Because of the enormous expansion of traffic, nearly every bus operator in North America is clamoring for additional equipment. However, the number built falls far short of the general demand, so new buses are allocated to points where they will best serve Allied interests.

Despite the acute needs of United States Operators, the Canadian Transit Controller has been consistently successful in securing a reasonable proportion of the production of American buses to apportion amongst Canadian operators in accordance with essential requirements. He has also been fair in allocating Canadian-built vehicles to districts where the transportation needs are most acute.

The shortage of new buses is a problem which is general across the Dominion, and is not the fault of either Canadian Authorities or operators. Certain steps have been taken to alleviate the situation, but it takes considerable time to step-up bus production, and we see no prospects of any improvement in the immediate future. Insofar as we are concerned, orders have been placed every year since the Controls were instituted for our share of the Canadian allocation, on receipt of permisson to purchase.

Maintenance

A large proportion of our maintenance parts supply comes from the United States, and is subject to the same restrictions as the supply of new buses. New parts are scarce and lengthy delays are frequently encountered in securing supplies. This situation has been remedied, to some extent, by reclaiming and re-building parts which would normally be scrapped and replaced by new parts.

Cost is not the main factor in our effort to maintain vehicles in service. In the interests of conserving critical metals and to avoid delays that might be occasioned if buses were laid up awaiting new parts, it is not unusual to spend more in reconditioning a used part than a new part would cost.

Traffic

Following the outbreak of War, new industrial plants and camps for the Armed Services were constructed far from the usual sources of manpower, in many cases at locations not conveniently served by rail, and the Canadian Interurban Bus Industry was called upon to fill their passenger transport needs.

Like many other operators, we were looked to for the supply of transportation facilities to serve plants and camps which appeared almost overnight. In addition, gradual reduction in the operation of private cars has steadily added to our traffic burden, and in trying to find accommodation for War workers, Service men and other essential riders, we have temporarily changed the character of our operations.

Sightseeing, non-essential charter services and fast express schedules were the first to disappear. Then services were discontinued over longhaul routes. Finally, it was necessary to cancel or curtail services on routes which were paralleled by other means of transportation.

As a result, all our vehicles are now concentrated on War Plant services and on routes which the Authorities have certified to be essential, and our traffic is now almost entirely local in character.

Even so, the demand for facilities exceeds the capacity of our equipment and it is impossible to give our patrons the type of service they, and we, desire. We are well aware of this situation, and are doing everything possible to alleviate conditions in so far as it lies in our power.

In the meantime, we can only express our thanks for the understanding shown by most of our patrons, and record our appreciation of the co-operation given us by Public Authorities charged with the regulation and supervision of highway transportation.

PROVINCIAL TRANSPORT COMPANY

THE FINANCIAL POST

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New Industries Based on Chemistry Ready For Postwar Development

Low Cost Nitric and Sulphuric Acid Production, Outgrowth of War, Expected to Bring Major Industrial Changes

No one would have ventured to suggest in 1918 that the huge stocks of explosives with which chemical firms were bulging would ever be anything but a liability. But when manufacturers began to look for ways to dispose of their stocks, they found, not only a solution, but a whole new industry: the manufacture of nitro-cellulose lacquers.

These new, glossy, inexpensive stepchildren of war penetrated many other industries: automotive, construction, packaging, for examples. Costs were reduced and consumer appeal heightened all along the line.

During this war, the chemical industry's expansion has been even greater; and its search for new products is even more painstaking. Other industries this time realize how vitally they may be affected by what the chemical industry does to solve its own problems, are watching the chemists closely.

This article sketches briefly some of the chemical developments most likely to affect Canadian industry after the war.

Backstage Revolution

Not all of these significant developments are among the spectacular discoveries and applications that have been displayed to the public over the last 10 or 20 years, such as penicillin, sulfa drugs, plastics, vitamins, synthetic fibres, DDT, synthetic rubber.

Behind these products that touch the consumer directly are more fundamental advances without which plastics, sulfa drugs and so forth might never have been possible . . . developments that provide a general cost reduction, open up whole new lines of endeavor. A leading chemist describes three of the most important of these, typical in their impact on industry as a whole, which have occurred over the last 50 years:

"They are, perhaps, disappointingly unromantic. Two of them concern sulphuric acid and nitric acid. These might be said to bear the same relationship to chemical industry that steel and concrete do to structural engineering.

"Until the development of the so-called 'contact process,' sulphuric acid was made in chemical plants that were large and expensive in relation to output. The more concentrated forms of sulphuric acid increasingly demanded by industry were still more expensive to produce. By the contact process sulphur dioxide and oxygen are made to combine in the presence of platinum, almost instantly, to produce sulphur trioxide. This, when dissolved in water, gives sulphuric acid. The development of this process gave industry an unlimited supply of sulphuric acid of any desired strength at low cost.

"Somewhat similar has been the story of nitric acid.

"Large deposits of nitrates in Chile were formerly the chief source of the nitric acid that chemical industry requires in great quantity. Nitrates contain nitrogen, the gas that constitutes four fifths of the air we breathe; but formerly it was impossible to make the nitrogen of the air react chemically. Now, there are two processes by which this can be achieved: in one, it is made to react with the oxygen also present in the air, to produce oxides of nitrogen (which when dissolved in water give nitric acid). In the other, it is made to combine with hydrogen to form ammonia. The latter may be readily transformed into nitric acid. In both of these cases, and in the case of sulphuric acid also, 'catalysts' — materials which by their presence speed chemical reactions — are used. This use of catalysts has, in itself, been one of the most interesting and widespread developments of the chemical industry."

Power of Words

The third development chosen by this authority was the development of a language: the terms of organic chemistry, that branch from which stems all our foods, all textiles, paper, most drugs, leather, rayon, rubber, petroleum and its products. "We can see, looking back," he says, "that a knowledge of how these comparatively complex chemicals are put together in nature, and the development of a system of picturing their structure and naming them, has been responsible, more than any other single factor, for the mushroom growth of their part in the science of chemistry. This has enabled materials found in nature to be duplicated in the laboratory, but—far more important—it has made possible the manufacture and development of hundreds of useful materials not found in nature."

It is possible, according to another leading chemist, that two major Canadian industries may be revolutionized, one by a recent chemical, or rather technological, discovery, and the second by the result of our war effort. The lumber industry, he says, will undoubtedly feel the impact of the new techniques of hardening wood by plastic or chemical impregnation, and of bonding sawdust or plywood with thermosetting resins. Soft woods may thus be used to a greater extent as building materials.

The second revolutionary development anticipated by this authority, arises directly out of the war. Our new ability to produce ammonia, sulphuric acid, phosphoric acid, greatly exceeds Canada's former consumption of these chemicals. Canadian farming is likely to benefit through lower cost fertilizers, while the pulp and paper industry will also probably be affected.

One of the first and greatest wartime expansions in Canada was in the production of ammonia, nitric acid, and ammonium nitrate. Ammonia, if secured cheaply enough, could supplant the lime and limestone now employed as one of the chemical components for the digestion of wood to sulphite pulp. Cost is the only thing that would prevent its large scale use, but there is hope for the desired low cost in postwar years.

When the war began, Canada was producing less than 100 tons of ammonia a day. Now our production can be over 500 tons. Three large plants were built by the government, one at Niagara Falls, one at Trail and one at Calgary. The initial purpose of these plants was to supply nitric acid for nitration in various explosive processes, and for the production of ammonium nitrate (which when mixed in various proportions with TNT yields the shell and bomb-filling explosive known as amatol).

Backlog for Future

In peacetime, ammonium nitrate is of great use, not only as a chemical for further processing, but also as a nitrogen-carrying fertilizer. Ammonium nitrate when pure contains 35% of fixed nitrogen. When properly processed with derivatives of calcium cyanamide it plays an important part in the production of valuable artificial resin bodies.

The impact of chemical developments on industries is complex, operates in several directions at once. For example, the development of plastics and the synthetics will probably have marked effects on the metallurgical and glass industries.

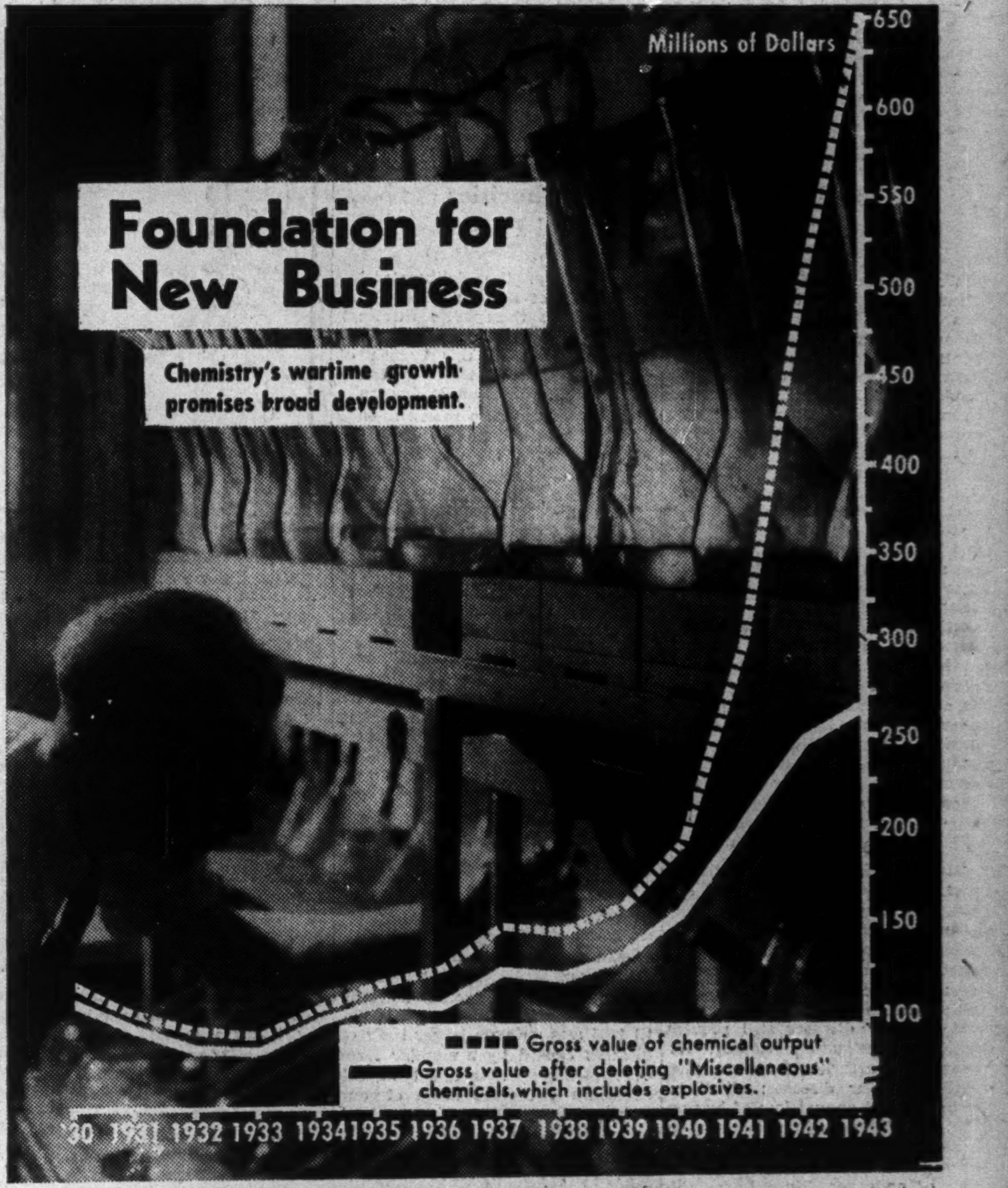
Taking a look at the future, one research manager says: "Most process industries have research departments possessing many important chemical discoveries as yet undeveloped commercially. Many postwar factors, such as aggressive commercial exploitation of present discoveries, public acceptance of the products, public purchasing power and certain other factors control the rate of commercial development of new products. As present discoveries are commercialized, it is necessary for industry to spend more and more money on research in order to keep their backlog of discoveries and developments sufficiently ahead of immediate requirements."

The Department of Finance has recognized the importance of commercial research to provide a source of expansion for business today. Out of this general acceptance of research's importance has come, however, one sentiment that rather irritates the chemist: the feeling that chemists can supply the answer to all our problems, from what to do with our wheat surplus to how to banish disease. Chemists roundly denounce such assumptions as "sensational," stress the years of patient effort that have brought chemical knowledge to its present pitch, stress also the major social, political and economic influences that pounce on a chemical development as it emerges from the laboratory. Chemists have pointed out, in fact, that if all further progress in scientific discoveries were stopped, and if the results already obtained could be properly applied and the results made available to humanity, a very nice approximation to the millennium might be obtained.

In spite of their desire to be cautious, to raise no hopes they cannot fulfill, many chemists will agree that from their labors may come some if not all of the wonders we have learned to expect.

Materials to Order

"One cannot, of course," says the chairman of the chemistry department of a major Canadian university, "say specifically what the next 10 years hold in the way of developments in chemistry that will affect our daily lives, but one trend seems clear. In the past we have taken the materials with which nature has supplied us and adapted them as best we could to our needs. These adaptations have sometimes been chemical, sometimes physical, and sometimes an adaptation of both. The products so obtained have not necessarily been exactly suited to the purposes to which they have been put. That is, in the past one has been faced with a given set of specifications and has sought the material best suited to them. In the future we may expect, within reasonable limits, that a material can be made to suit a set of specifications. It is not to be expected that this will affect our lives in any spectacular way, but rather that it will provide better and more pleasing materials, possibly at lower cost, than the materials to which we are accustomed."



How Canada's chemical industry has expanded to meet wartime needs is indicated by the soaring line of its output's gross value. Much of the increase reflects purchases of explosives; but there has been at the same time a more varied and general rise important for the long term. The lower line, which eliminates explosives and some other products, shows what that trend might be. Part of the rise, which started in 1934, was apparently a recovery from the slump; but the steepness and early timing of the climb also reflects the injection of new techniques, new ideas, new products, which make the chemical industry and its off-shoots one of the greatest potential sources of business expansion of our time.

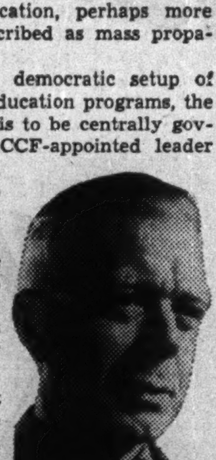
Saskatchewan CCF 'Adult Education' Program May Emerge As Straight Socialist Propaganda

By GORDON L. SMITH

REGINA—Is the Saskatchewan Government launching a campaign designed to convert its half million adult citizens to socialism? Many observers in Canada's leading wheat province think so. Thousands of others view the newly announced adult education plan with grave uneasiness.

Nothing like it has ever been broached in Canada, nor for that matter in any democratic country. One can only go to Germany or Russia or pre-war Italy to find such a deliberately planned scheme of mass education, perhaps more correctly described as mass propaganda.

Unlike the democratic setup of other adult education programs, the CCF scheme is to be centrally governed by a CCF-appointed leader who in turn appoints 10 "district study - action leaders." The "adults" who are to be educated will not appoint their educators, will not choose the literature, films and records which are to line their libraries.



MR. THOMSON

Unlike democratic education, the CCF scheme is not to study "subjects," but controversial "issues," will not necessarily discuss all sides of these issues, only that aspect which appears to be popular.

As the Regina "Leader-Post" comments; "Most Saskatchewan people would rather see this adult education program grow from the bottom than be built from the top down, would prefer that its direction be in the hands of local committees elected by democratic procedure and having technical educational advisers under local direction and control. Built on democratic lines the setup could do much to ensure a better and more alert citizenship and at the same time guard itself against being used as a propaganda machine."

To head its new division, the CCF Government last month announced the appointment of Watson Thomson, Glasgow-born radical intellectual. Hitherto in all provinces this sort of work has largely been confined to university extension staffs and much of it concerned itself with providing academic credits, high brow lectures and other useful but innocent work. But in the basement coffee room of the Parliament Buildings at Regina the other day, Thomson told me he was through with all that sort of thing. He intimated that the average intellectual was too lazy or cowardly to carry his study through to the point of positive action.

"Too much of our adult education work has led upwards to abstract academic subjects," he said. "Our work here is going to lead downwards to logical conclusions. If a group specifically asks us for some academic course we will give it but we are mainly interested in getting right down to the roughneck, cleaning out illiteracy, and making these people new citizens. We are not only going to encourage study but we are going to show the people how to use it, how to get action."

"Will you discuss politics?" I asked him. "If that is a live interest, certainly. We don't believe in this squeamish fear of controversial issues. We believe in certain fundamental issues, that one is a fascist or anti-fascist, that one believes in inequality of the people or doesn't."

"We will discuss anything that people are currently interested in. Rather than old style 'subjects' we will choose issues and the activist intention will be maintained. Labor classes will be primarily designed for those members of labor unions who want to do something about it and will take some responsibility for the first task which is to interest and mobilize the rank and file of their own unions."

I was given to understand that the campaign among the rural districts will follow similar lines. There will be nothing about better farming, Thomson is going to leave that to the agricultural department, but he will encourage live discussion of finance, organization, politics and any other issued or current grievances the people are talking about.

I asked him if in one of these rural or labor discussion groups he proposes to organize, the subject of say banking or wheat marketing came up, would he get an expert to outline the case or in a controversy to outline both sides frankly. Thomson paused a moment of two.

"That is an abstract question and the easiest answer, of course, would be yes, but if I found a whole community feeling that there was only one side of such a question I would not feel it my duty to bring up any other view."

He admitted that this opinion was directly contrary to the old orthodox views of education where all facts are marshalled and the student encouraged or left to draw his own conclusions. But Thomson, I found, has little sympathy with the neutral approach. "Your beautiful neutrality in education," he said," is like non-intervention in Spain. It falls down and leaves the individual completely exposed to exploitation of reactionary forces. There are certain things happening in this very city about which no man is entitled to be neutral. Our job is the liberation of the common man not to leave him unorganized or playing a passive role."

These views, expressed forcefully and deliberately but with no dramatics, indicate something of the spirit and ambition of the man in charge of the new adult education plan of the Saskatchewan Government. Now let us look at the machinery, some already in existence, some being fashioned.

At the top is Watson Thomson. Within six months there will be under him 10 special and paid assistants, mostly university graduates but not necessarily so. These will be chosen by Thomson on their ability as teachers or community leaders. These assistants will establish their homes in various central points in the province where they can work closely with the people and presumably observe and report results.

Under these assistants again will be sub-assistants or sub-leaders, chosen from the most active workers in labor unions, and farm co-operatives. The latter after special training under Thomson and his assistants, will be the local leaders, the men and women who lead and dominate discussion. Thomson told me the emphasis will be on organized discussion rather than debates or lectures.

These local leaders, or perhaps assistants under them, will organize various groups of radio "listeners" for talks and discussion broadcasts from headquarters. The district leaders, that is Thomson's 10 special assistants, will have libraries including films and gramophone records and these will be used for large group meetings and will also be circulated among the local groups. In this connection Thomson stated that the provincial government library is going to be de-centralized, apparently with the view of making all government literature and handouts available from 10 different points throughout the province, instead of one.

Thomson and his assistants hope for co-operation from Wheat Pool field men and "educational" forces of other co-operatives large and small. They also expect co-operation from the public and high schools. Recently the Saskatchewan Government, despite considerable opposition, completely reorganized the school boards of the province. Instead of a board for each individual country school these have now been consolidated so that one board will handle 20 or 40 schools. As a result Thomson field men expect co-operation from these boards and the privilege of appointing certain school teachers as unofficial assistants. "We think that education should be a cradle to the grave proposition," Thomson told me and apparently his assistants intend to make a special drive through the schools even though the students there would hardly come up to adult specifications.

There, briefly, is the plan. When I remarked that there is bound to be a storm of criticism, that many people will be suspicious that this is a scheme of the CCF Government to win converts and build a solid block of socialism throughout the province, Thomson merely shrugged.

"We are not terribly worried," he said.

But many other Saskatchewan citizens are.

School Propaganda Under Fire in Sask.

From Our Own Correspondent

REGINA—Governmental propaganda in schools has become a sharply defined issue in Saskatchewan with the disclosure here that a Saskatchewan bureau of publications pamphlet on the seed grain issue was sent out to school principals.

The disclosure followed an angry protest, written to the Regina Leader-Post by L. H. Neatby, Wilkie, Sask., school principal, who was one recipient of the pamphlet, which he described as "sheer naked party propaganda."

The principal's protest stirred up a two-hour debate in the first business sitting of the Saskatchewan legislature during which Liberal Leader W. J. Patterson and two of his party condemned distribution of political propaganda in Saskatchewan schools.

Both Premier T. C. Douglas and Treasurer C. M. Fines avowed the CCF Government would continue to circularize teachers and other prominent citizens on any public question the Government thinks needs airing. Mr. Fines declared that not only would the government not stop, but he expected to have a further pamphlet circularized within a few weeks.

School Trustees Protest

Not only in the legislature was the issue of propaganda in the schools debated. At a convention of the Saskatchewan School Trustees Association at Saskatoon, opposition was registered against the introduction in the new school curricula of "new subjects which contain political propaganda."

This convention passed a resolution protesting introduction of any changes in the public school curricula without first being submitted to the trustees association for approval.

The seed grain pamphlet, prepared by the bureau of publications, was first printed in the Saskatchewan Commonwealth, CCF organ. Reprinted at Government expense in artistic fashion, it was distributed, according to the Government, to school teachers, clergymen, municipal secretaries and other prominent citizens.

The pamphlet gave the CCF Government's version of the seed grain control controversy which has been going on between federal and provincial governments since mid-1944.

Treasurer Fines assured the legislature the Government's intention was not to use the schools. He said the pamphlet had been sent to teachers, because they were prominent citizens of their communities.

"If the Opposition is going to get excited about this . . . before the end of four years, they will have a lot more to get excited about," Mr. Fines said.

Status of Patronage Dividends Key Issue In McDougall Probe of Co-op Practices

By GORDON L. SMITH

MONTREAL—It is now abundantly clear that one of the thorniest questions facing the Royal Commission on Taxation of Co-operatives will be to define the tax status of patronage dividends. This is, perhaps, the major issue in the present dispute between heavily taxed private industry and the exemption-claiming co-ops. The subject has cropped up again and again at the hearings of the commission, and it is significant that every time it is mentioned it gets the undivided attention of the commissioners.

Patronage Becomes Involved

Anyone who believed that patronage dividends constituted a western problem only, should have listened in on testimony in Ontario and again in Montreal this week. Almost every brief and much of the cross - examination hinged around that subject, though some observers thought that it did not get the attention it warranted in some of the arguments by industrial groups of eastern Canada.

Payment of patronage dividends, like almost every other operation of these big modern co-operatives, has become a very complicated affair. Originally the term was largely confined to a final payment at the end of the year or the season, in the case of strictly seasonal lines, which represented the difference between the initial payment made when the produce was received by the co-op and the final price realized, less handling charges.

Supposing the farmer wished to sell a barrel of apples. When he delivered this to his co-op he would be given something on account but well within the market price, say $3. Finally after grading and packing, suppose those apples were sold for $4.75 and total handling charges amounted to 75c. At the end of the apple marketing season the farmer would receive patronage dividend of $1.

That represents the simplest form of patronage dividend and there are many who have argued before this commission that that is the way it should remain and the only kind that is entitled to tax exemption.

But the patronage dividend of some of the big multiple producer co-ops, and of practically all the consumer co-ops, is a much more involved affair, though co-op. spokesmen argue before the commission that it is still the member's money and it should be returned or allocated to him still tax free.

Take a big dairy co-operative. The producer ships in the raw material, milk. On delivery he will get the going market price, usually identical with that paid by private competitors, or fixed by the various provincial milk boards. The co-op, however, unlike the apple illustration, does not market this product as received. Some of it will be pasteurized, put into bottles and delivered from door to door to supply urban consumers. Some of it may be manufactured into butter, some into cheese and some into powdered milk. It may be sold locally or exported. Perhaps more labor enters into processing, manufacturing and marketing after it leaves the farmers' truck than before.

At the end of the year the co-op balances its books and what an ordinary private company would term profits, it will label patronage dividends, and describe as money due to its shipper members, and not subject to tax.

But only a small portion of this money, if any, may be returned to members in cash immediately. While the co-op is in the growing stage—and private competitors in some parts of Canada believe that they may continue in that stage until all competition has been swallowed—a large part of this annual surplus or perhaps all of it, will be earmarked for new working capital to finance the purchase of competitive plants or build new ones. The directors decide how long the co-op will hold it and in nine cases out of ten it is held without interest and without any being taxed. It is free money that has financed the tremendous expansion of co-operatives in the last decade.

Out West the co-ops term this system of financing the "revolving door" policy. The directors determine the speed of the door. The average time is six years for a complete revolution.

Imagine a revolving door with six compartments. The year the co-ops starts, into the first compartment goes a big percentage of the patronage dividends, allocated, but not paid to the members. Next year a second compartment is filled and so on until we come to the 6th year when compartment No. 1 faces out again. The first year's accumulation is then paid to members and the current year's deduction used to replace it. The system gives the co-op absolute control of a continuous six year's accumulation of profits, interest and tax free.

Tough Competition

Privately owned competitors say they can't compete against such a system especially when if they followed such an example the Government would only allow the patronage dividends after excess and income tax are paid.

Now this commission must decide first of all whether this money really is a patronage dividend, especially when so much other than member's labor is involved and when it may be held back for years at the discretion of the directors. The Income Tax Department is strongly inclined to view it as profit and taxable.

And finally if the commission gets the genuine producer's and consumer's patronage dividend separated from the other kind, then it must also decide whether or not private companies can also use the device tax free.

But patronage dividends constitute only one of the complications that have developed with the spread of co-operative marketing in Canada. There are a host of others and even officials of the co-operatives admit some of them have propriety. Moreover they further declare that if the inquiry accomplishes nothing else its public hearings undoubtedly will result in the elimination of many practices certainly never contemplated by the Rochdale pioneers of the co-operative movement in England 101 years ago.

But when one gets right down to cases it is invariably the other fellow who is accused—no co-op has yet come forward and admitted that it is anything but simon pure itself.

Investors in Saskatchewan Slow in Buying CCF Issue

From Our Own Correspondent

REGINA—Only four of the 48 Saskatchewan constituencies are "over the top" of their quotas in the campaign to sell Saskatchewan Security Bonds. These include one riding in the northeast section of the province, and three in Southern Saskatchewan.

The report, dated Feb. 15, shows the standing of the loan receipts by constituencies, which was made the basis for the campaign organization. The loan, originally to have closed Feb. 3, was extended to Feb. 28, by which date Treasurer C. M. Fines expects the $1 million objective to be attained.

On Feb. 15, with but two weeks to go, the loan total was $668,000.

Urban constituencies lag considerably. Regina with an objective of $100,000 has subscribed $50,200; Saskatoon, objective, $75,000, subscribed $31,900 and Moose Jaw, objective $50,000, subscribed $17,800.

Some rural constituencies are far behind their quotas. For example Kerrobert-Kindersley, regarded as staunch CCF territory in the "Coldwell country" has subscribed $2,250 toward a $25,000 objective; Torch River, a northern riding, has contributed $300 toward an objective of $25,000.

Long-Range Research Forges New Chemical Weapons To Speed Pace of the Postwar Battle Against Disease

Has VD Been Conquered? Can Chemists Cure Cancer? Why the Excitement Over Chemotherapy?

Here Are Answers From Some of Canada's Key Research Authorities as Told to The Financial Post

War, revealing 44% of young Canadians unfit for combat service, has added a new urgency to the layman's interest in chemistry's contribution to the quest for health.

Ever since the evolution of modern medicine, scientists have been searching diligently for new cures for the world's physical ills. After years of basic and relatively unapplauded research, they have in the past few years announced several major developments.

The significance of many of these and their impact on the man in the street have been so widespread that a sense of their importance and of the urgency of further investigation has filtered out of the laboratory. During the last 10 years, at least, research has been news. Some of the headliners introduced to a fascinated public by cautious chemists have been sulfa drugs, penicillin, gramacidin, D.D.T., continuous caudal analgesia, synthetic quinine . . . plus other advanes in chemotherapy and in the fields of vitamin and hormone research.

Many Finds In Infancy

Many of these finds are still in their infancy; many chemists envisage a new era of developments from research after the war. They point out, however, that the "glamor" attached to some of the most recent developments has resulted in both misunderstanding and misuse.

And many diseases still require patient investigation. Cancer, for example; arthritis, tuberculosis, cardio-vascular diseases; all these mean a great annual loss of human life.

Each success in medical and chemical research suggests a new line of endeavor. More important, it stimulates the community to provide funds with which to continue such an obviously practical endeavor, and to make plans for applying the developments already made.

Chemotherapy—A New Branch

Chemistry, a comparatively young science (though its forbears came from ancient Egypt), has a tendency to put forth carefully labelled branches—specialized sections of the science. Such a branch is chemotherapy, the deliberate investigation of the use of synthetic chemicals as therapeutic (healing) agents for the treatment of specific diseases. It is in this branch of chemistry that penicillin and the sulfa drugs, for example, belong.

Chemotherapy is a recent science chiefly because it had to await the discovery of what the causes of disease are—the germ theory, basically, and the detective work which formed the backbone of medical research in the first part of the century, and which is still proceeding. First know your enemy: then you may be able to construct weapons with which to attack him.

Ehrlich the First

The first "chemotherapist" was Paul Ehrlich, whose experiments with the action of dyes led him, by 1910, to the discovery of the first specific for syphilis—salvarsan. He was looking for "Magic Bullets"—chemicals which, when introduced into the body would not harm the body generally, but would find their own billet, the germs of specific diseases.

A fairly complex little parasite—the protozoa — was the cause of syphilis, and of other diseases, such as African sleeping sickness. Salvarsan was the first in the line of chemotherapeutic agents that attacked diseases of protozoic origin.

But untouched by chemicals until 1935 was an even larger body of diseases caused by a simpler form of life—bacteria. Included in the bacteria's list were some of our worst killers: pneumonia, cerebro-spinal fever, childbed fever, septic infections of all kinds.

In 1935, the train of scientific thought which started when Ehrlich began experimenting with dyes brought forth prontosil—a sulfonamide of the dye chrysoidine—which when broken down within the body liberates its active ingredient, sulfanilamide. This was the beginning of the march of the sulfa drugs, of which there is now a whole family. One of them (sulfapyradine, 1938) reduced fatality of pneumonia (a bacteria) from 25% to 5%. These chemicals attacked bacteria or (it is now thought) made it impossible for the harmful bacteria to live.

"It may be hoped," says a leading Canadian authority, "that in the postwar years still other types of synthetic agents for the treatment of disease due to bacteria will be developed. The field has been cracked open, and mankind may hope for further advances in it."

"The remarkable drug, penicillin, probably represents what is but the first of such advances. Penicillin is produced by a mould during its growth. Its chemical structure is as yet unknown, but, when chemists have solved the problem of its structure, they may well be able, by using it as a model, to synthesize other substances still more effective, or, at least, cheaper. Penicillin is a product of the struggle for existence among microscopic organisms; secreted by the mould, it poisons bacteria which may try to invade the mould's living space. It is now appearing that other moulds elaborate chemicals fatal to bacteria, and this may well lead to the discovery of a still wider range of synthetic drugs for diseases due to bacteria."

Mass Production Now Under Way

Mass production of penicillin, now under way, amounts to 17 lb. daily, in the United States, the equivalent to two thousand billion "Oxford Units" per month . . .one month's output in 1944 being greater than that in the whole of 1943.

Production in Canada is also mounting, with enough penicillin now available for armed forces and essential civilian needs. On Feb. 1, the price of penicillin to Canadian hospitals for civilians was reduced to $2.85 per ampoule, from an original price of $6.50 which had previously dropped to $3.50.

Like the sulfa drugs, penicillin has a large family, arising out of the battles of one type of bacteria with another. Among these are citrinin, fumagatin, penicillic acid, clavatin, notatin, patulin, gramacidin, streptothracin, and many others. Many of these, though they act, like penicillin, against bacteria harmful to the body, are not, like penicillin, almost harmless to the body itself; but investigation of their possibilities has only begun, and ways of using some of them are almost sure to be found.

Gramacidin is one of the list which is already being used. Produced by an organism in the soil, it will kill bacteria of pneumonia streptococcus, and staphlococcus, but it is toxic in the human blood stream or digestive system. Its use is confined for the time being to slow-healing surface wounds and ulcers.

One of the most significant aspects of the approach to healing through the building of synthetic chemicals is the fact that so many variations are possible, once a basic discovery is made. There are, so to speak, plenty of by-products. An example of these is the commercial synthesis of quinidine, a heart ailment specific. Previously, quinidine could be obtained only, expensively, from tropical quinine. War against Japan cut us off from areas abounding in the cinchona tree (source of natural quinine), and at the same time led to the presence of many North Americans in areas where they are exposed to infection with malaria.

Since quinine was just about essential to the malaria victim, some action was imperative. Production of atabrine, another anti-malarial, was stepped up dramatically. Finally, last year, two Massachusetts scientists announced that they had synthesized quinine—that they knew how to make, not a different preparation with a similar action, but quinine itself, just as well as the cinchona tree. So far, commercial preparation of synthetic quinine awaits a more economical process; but among the off-shoots of this research were other announcements of major importance, one of them the synthesis of quinidine.

The tale that is still untold is the most significant part of the story of chemotherapy, amazing though its current chapters may be. The really exciting fact is not that science has increased your chances of surviving an attack of pneumonia by nearly 40%; but that it demonstrated its ability to discover whole new caches of weapons with which to fight against disease.

It should be pointed out, frequently and with emphasis, however, that medicine does the patient no good unless he takes it. There is always a time-lag between the production of a pharmaceutical and its availability when Joe Doakes is ill. This time-lag has been commendably short, of late, partly because of the forcing emphasis of war. But the derivation of all the benefits from the whole range of medical discoveries will depend on ourselves. The chemist has given us the tools—we must use them to finish the job.

Not that this job is in sight of being finished. The layman's awe at what science has already accomplished is exceeded only by the chemists' awe at what is still to be learned. The disease-less tomorrow is a long way off.

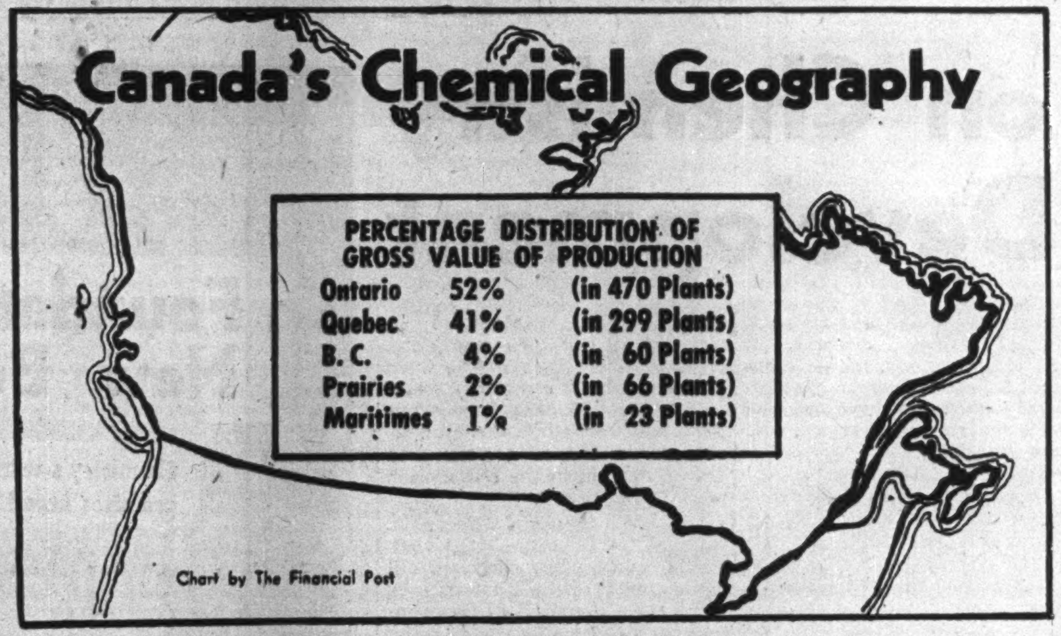
We asked a leading chemist, "What about people who say, V.D. is conquered?" He replied:

"This statement is a good example of the working of the 'penny-in-the slot' mentality, for it is the view of not simply the ill-informed but of the unthinking person. Presented with the very encouraging reports on the treatment of V.D. with penicillin and the sulfa drugs, the intelligent person will ask several questions: What is the percentage of cures? Is the cure complete? Will the disastrous delayed effects of former infection be prevented? To all these questions the answer still remains: We can't be sure yet. Even in early infections, all cases are not the same and may not respond to treatment in the same way. Many cases are resistant to treatment with the sulfa drugs and even penicillin has not been uniformly successful. Reports from different areas differ widely in respect to percentage of cures and the reasons for this are not clear.

"Again, a long time must elapse before the results with regard to delayed effects can be fully known, although here too there is considerable hope of success. But even supposing that treatment be completely effective and lasting in every instance and that no delayed symptoms will appear, this statement is foolish for at least two other reasons. First, the person may not know the infection has occurred and hence will not seek treatment. Secondly, before a diagnosis is made, treatment begun and a cure effected, the infection may be passed on unwittingly to others. There seems no reason, therefore, to change the view that prevention is always better than cure."

One field of development is being watched by the public with intense

(Continued on page 17)



The manufacturing of chemicals and allied products is centred, as is most of Canada's manufacturing, in the central provinces. More evenly scattered are some of the areas from which the raw materials are obtained. Not included in this picture is a group of chemicals producers of growing importance — those to whom the production of chemical products is a side-line: the pulp and paper industry is a good example.

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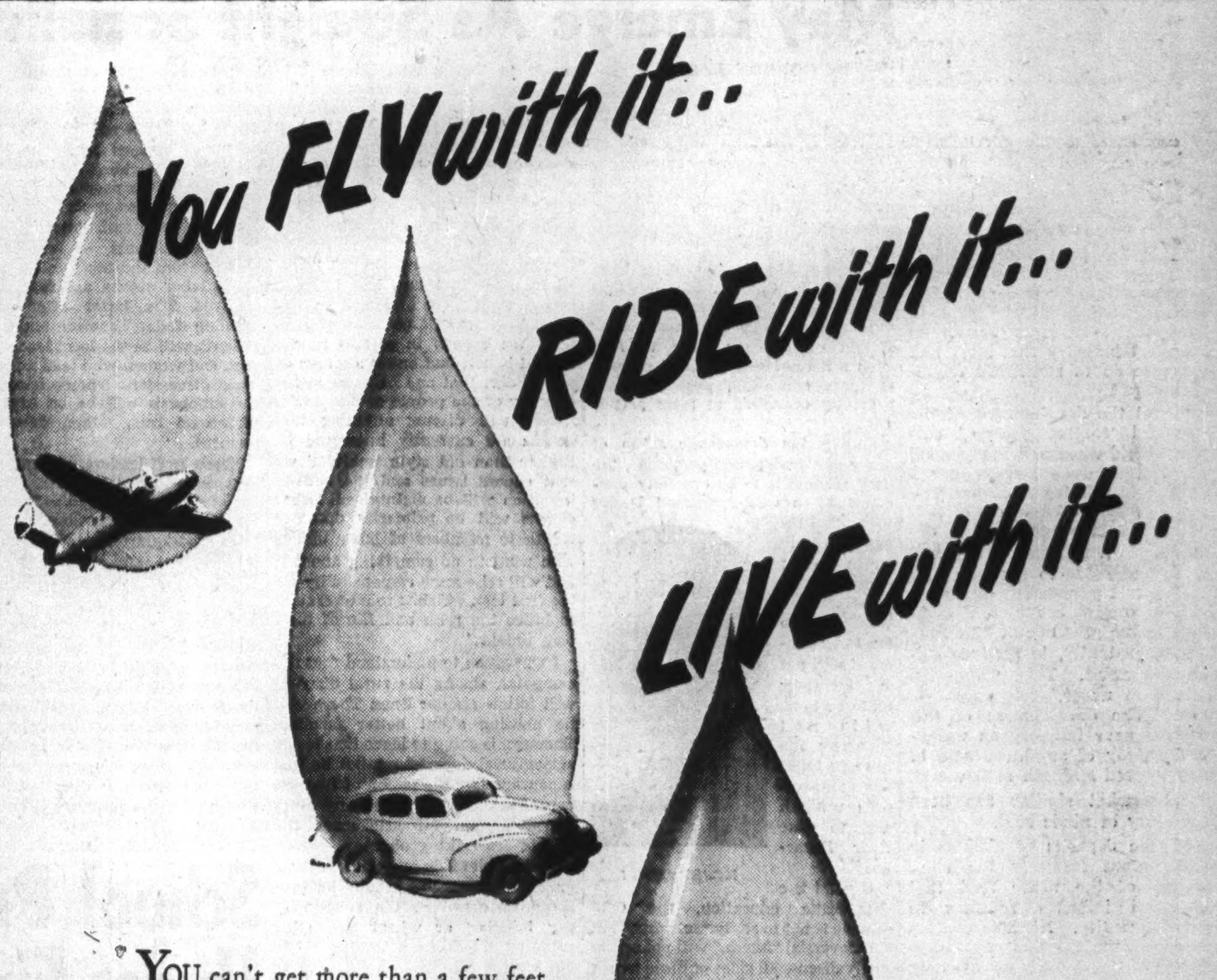

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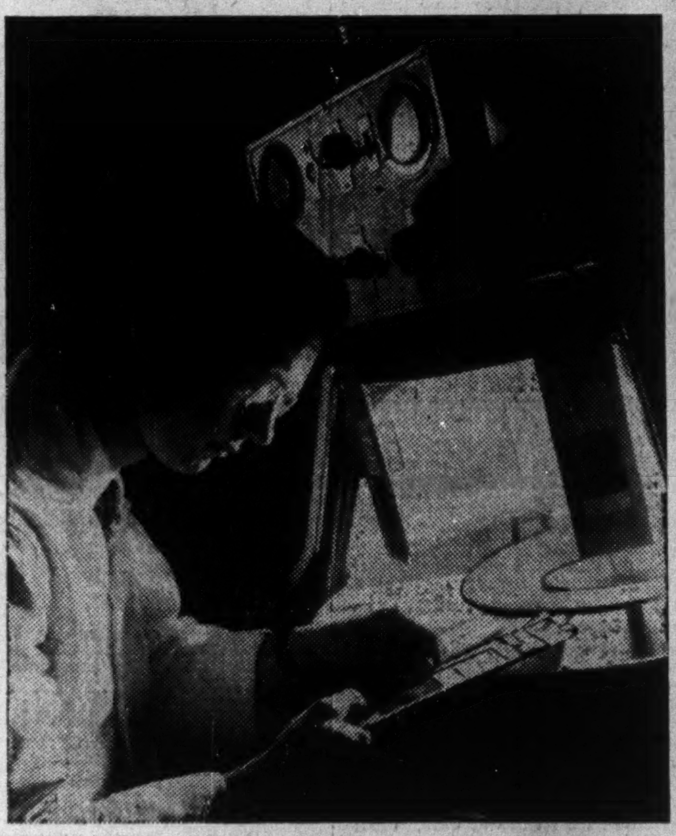
No "Meal-in-a-Pill" in the Offing, Say Chemists; Much to Learn Yet About Vitamins and Health

Unless his knowledge of vitamins is wide, the average layman would do well to rely for nutrition on his own table foods, with supplements where deficiencies exist, say authorities in the field of chemistry and nutrition, because:

1. The final answer of the place and value of vitamins in diet is still a long way off, depends on continuing research.

2. Psychologically, it is better that we should continue our habit of pursuing an adequate diet, "eating for fun," and should "rationalize the divergent views and the evaluation of workable schemes for applying the newer knowledge of nutrition in everyday life." A trend toward a better diet of natural foods rather than toward synthetics should be expected; in other words, we won't be taking all our meals in the form of pills.



Behind the rich colors of modern textiles lies the work of the textile chemist, here shown testing color values of a dye.

Research goes on apace and in Canada the next five years should show great development in two aspects of the nutrition problem about which very little is now known. More accurate description of the types and extent of malnutrition in Canada is now being started by the Federal Department of National Health and Welfare, to supplement efforts by universities and others. Food industries are acquiring an appreciation of the importance of retaining nutritive values and of presenting to the public products which are the best possible both for good food habits and for correcting any conditions of malnutrition that may be found.

Wartime Research Affects Future

Wartime influence in so far as progress in food concentrates goes will affect future research trends.

One spokesman enumerates chemical and pharmaceutical developments in the field of nutrition thus:

Progress has been made but more results are needed and may be expected in the following:

1. Number and nature of all chemical substances needed by the body.

2. Occurrence of these substances in plant and animal products, in order to understand our food resources, and the economics of food production and distribution.

3. The production of varieties containing maximum amounts of these essential nutrients, and retention of these amounts during harvesting, storage, handling, processing and preparation for serving.

4. Biochemical study of the body and of foods in maintaining normal body processes.

5. Influence of light, temperature, humidity and pressure on the body processes and their relation to chemical substances in food.

6. Relation of these chemical substances to the development of immunity and of resistance to disease, so as to avoid many diseases now common.

7. Relation of each chemical substance, and of their interaction, to various deviations from normal health; including the study of symptoms of deficiency diseases.

8. Adaptation of food supplies to the proved needs of groups of people and whole nations.

No Cure-all

Food experts debunk popular notions about the values of synthetic vitamins as cure-alls and generally complete substitutes for home fare or the cafe menu, in spite of their usefulness in cases of temporary or special malnutrition.

The man-on-the-street who says, "I don't need to worry about diet; I take a vitamin pill a day," is due for a sharp awakening. Chemists shy away from any trend toward synthetics and show a definite preference for natural foods and the special dishes mother used to make.

What fun is there in eating pills anyhow? one alert nutritionist wants to know, and says:

"This common fallacy has a small grain of truth in it, which can be judged by the following comparison: there are over 30 nutrients known to be needed for human nutrition, and several more that are suspected to be necessary. These include six or eight minerals and at least 12 vitamins. The vitamin capsule that is most commonly sold specifies only two vitamins, while the most complete and most expensive capsule specifies only eight vitamins. Both fall short of **known** needs and cannot supply the unknown.

"Until such time as nutritional research has found all the vitamins and other factors needed for health, and has learned how to manufacture them and put them into pills, it will not be safe to rely on pills in place of an adequate diet."

Another scientist says: "Adequate nutrition demands energy-producing foods such as starches and fats, protein foods for the replacement of muscle tissue, and minerals and vitamins for replacement and the fulfillment of necessary physiological functions. Regardless of how much these needs could be concentrated, the digestive system was designed to handle bulk foods and bulk is still essential."

Vitamin Pills' Important Role

He adds that the element of truth in the notion that a vitamin-a-day has all the food virtues for a balanced diet is "related to emergency and clinical feeding under a physician's care" and "there is insufficient evidence to warrant general application of such a practice. Most of the self-appointed clinicians who feel that their diet is improved by taking vitamin pills are quite likely to be wrong. Most of the individuals who can afford to purchase all types of vitamins are usually those who can afford quite a good diet, and the additional vitamins will contribute little. The few who have definite vitamin deficiencies are unlikely to purchase the correct vitamin pills and for the most part cannot afford it."

Instead of saying he has no worries about diet because of his daily intake of a vitamin pill, the informed layman should say, according to nutritionists:

"Since I can get certain vitamins in a pill every day, I should be able to neglect eating the foods rich in those vitamins; but that demands a lot of knowledge about nutrition and it is easier as well as more fun to eat a good diet. For instance, I'd rather get my thiamine and niacin from a pork chop or a beefsteak than from a capsule, and my vitamin C from an orange than from a pill. And this means I'll be getting other things that the chemists don't know about yet. Of course, if I need extra quantities of vitamins, the chemist and pharmacist can help."

No Meals-In-A-Pill

Food faddists who look to the day when they can eat on the run find no support for such optimism from the men of science because man will never get all his food in capsules. Concentrated diets, including energy-producing and protein foods as well as vitamins have been prepared. They are important during periods of war but it is doubtful if these concentrated rations will ever become popular. They are much larger than a capsule.

Instead of thinking that he will eventually get all his food in capsule form, the layman should think instead that in time chemists may be able to put into capsules a mixture that will supply all the parts of food needed for good health but—warn the chemists, he will probably add: "I don't think I'll like it."

One expert points out good reasons for not wanting all food in capsule form:

"1. By calculation, it is easy to show that a capsule supplying all the energy as well as the amino acids, minerals and vitamins needed for a day's work would have to weigh nearly one pound, and would be so large it would choke a horse. If you divided it into small capsules then the number required daily would be over 100, and you would therefore have to swallow 8 or 10 capsules every hour of the day you are awake.

"2. Our stomach and intestines are not well adapted to the use of such concentrated foods. Cramps and other difficulties might result."

One of his colleagues adds that "the possibility suggested is not attractive psychologically. Can one imagine a virile nation leaving a steak dinner for a vitamin capsule to be swallowed with a glass of water? For the normal human, filling the stomach provides a desirable recreation as well as nutrition."

War stimulated another trend in preparing foodstuffs, dehydration. Approximately 1½ to 2 pounds of dehydrated food per day forms the average adult requirement. While vegetable foodstuffs of loose leafy texture can be dried and compressed, the smallest size in relation to fuel value is reached in the dehydration of meats and grain products.

A leading chemist, commenting on this, adds, "Further reduction in bulk by compression is insignificant. A seven pound bag of flour represents the most concentrated bulk of energy supply for about four days, and this indicates the present stage of maximum food value in the minimum bulk, since there is a direct relation between dried weight of foodstuff and calorific value."

Meanwhile, scientists who are applying principles of chemistry effectively to nutrition improvement, hold that common sense must govern in the long run, that man should hesitate to give up natural foods for synthetics. At the same time, however, he should take advantage of new findings that do much to improve diets.

Shippers Offer Transport Code

Regulation of all common carrier transportation agencies should be vested in bodies having judicial powers, according to a resolution from the annual meeting at Montreal of the Canadian Industrial Traffic League. CITL means by this, it says, the Board of Transportation Commissioners for Canada for interprovincial and international traffic, and independent boards set up by provincial legislation to govern local traffic within provinces.

The League resolution sets forth six principles called essential to a broad and effective transportation policy: Recognize and preserve inherent advantages of each type; impose no restriction prejudicial to one in favor of another; promote safe, adequate, economic service by reasonable charges free from discrimination or undue preference; prohibit destructive competitive practices; permit all carriers to engage in any class of transportation where such service is found in the public interest; sanction by statute the competence of a carrier or person to file a complaint with the regulatory tribunal.

Officers of the Canadian Industrial Traffic League for 1945 are as follows:

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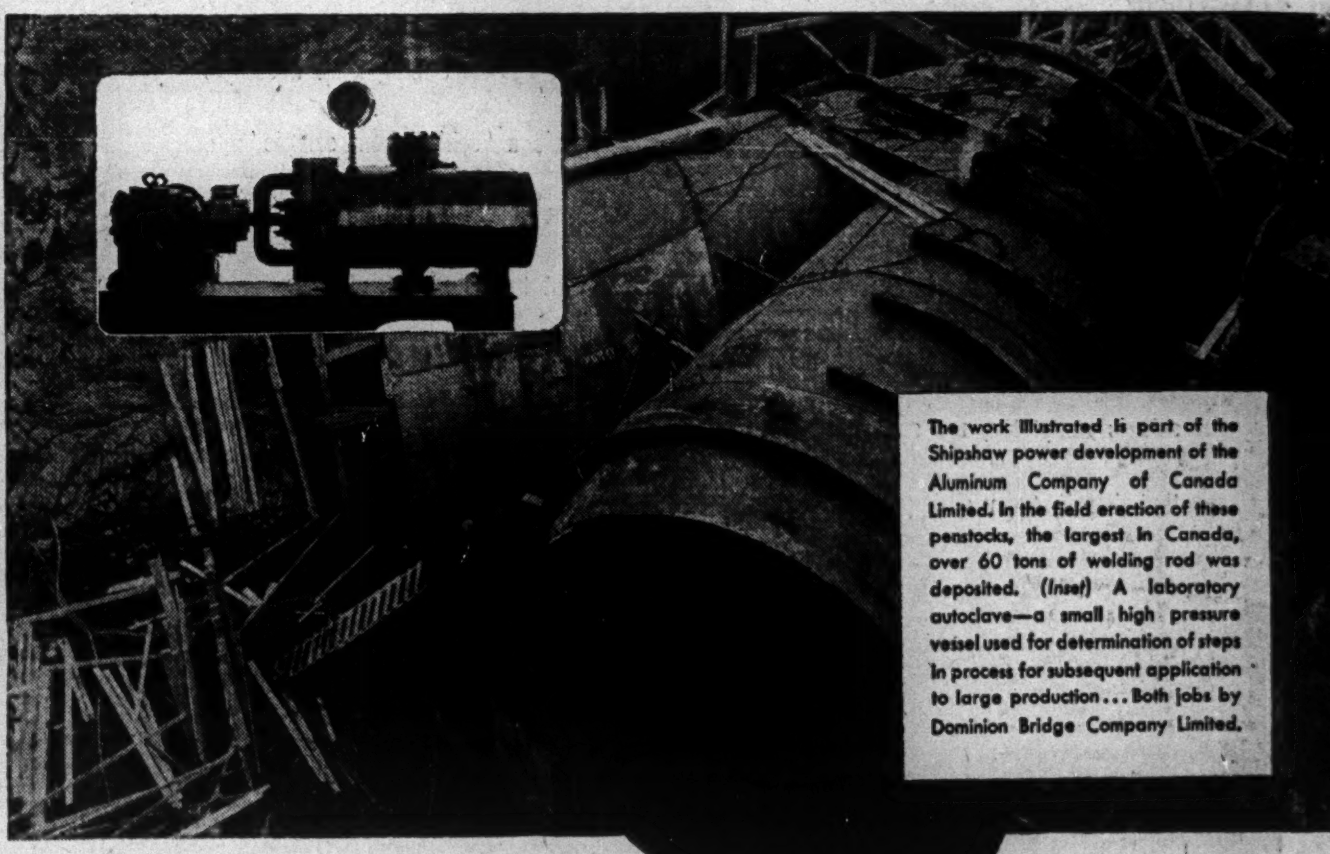

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Agriculture Is Reaping the Fruits of Chemical Research; No Dream-World, But Major Cost-Reducing Contributions

Canadians have in the past ten years added a new word to their vocabulary . . . a word that for some has come to be synonymous with "hope."

The word is "chemurgy"—a term so new that standard dictionaries don't define it. In general, it means chemistry as applied to the problems of production and use of agricultural commodities.

It is not the complete answer to the farmer's problems. Chemistry can give him much, as it has in the past, if applied on a broad enough basis. But many chemists feel that chemurgy has been badly oversold as a Sunday-supplement cure-all. At the same time, wide-eyed followers of popular chemistry have been overlooking the important contributions "old-fashioned chemistry" has already made to the farmer's well-being, and the important part it can play, along well-established lines, in helping to solve his postwar problems.

Chemistry, in its approach to agriculture, has four main objectives: to increase production, and lower its costs, to develop new and improved methods of processing agricultural products for human consumption, and to explore new uses for agricultural products.

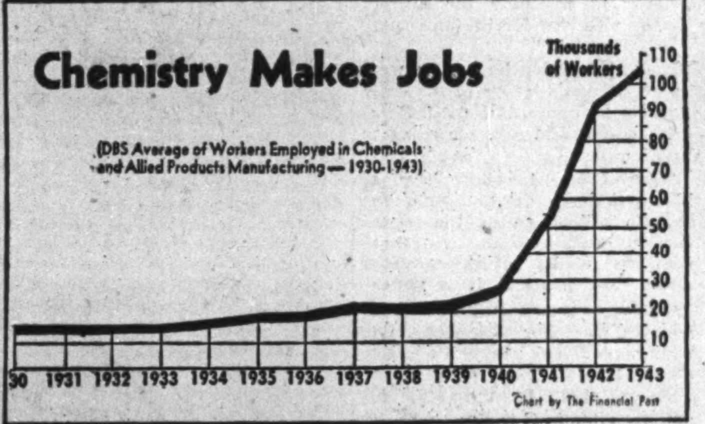
Chemistry has already:

(1) Provided synthetic nitrogen fertilizers to maintain and increase soil fertility.

(2) Discovered efficient insecticides and fungicides to prevent destruction of crops.

(3) Provided better and more abundant motor fuel for power and transportation, making labor more efficient on the farm.

In the field of food processing, chemistry has devised means for preserving perishable foodstuffs so that they may be used freely throughout the years; has shown the way to turn many waste products into valuable substances, casein from skim milk, alcohol from low-grade grains, fruits and vegetables; and has produced sugar from sugar beets, starches from corn and potatoes, and wines from grapes.



The great jump in employment in the chemicals industry since 1940 stems, of course, from the great war expansion of the explosives manufacturing branch. But even before the war, employment (which had held fairly steady during the depression) had begun to climb. Part of this may have been due to generally increasing pace of business as the depression period passed, but it nevertheless coincided with the period during which some of industrial chemistry's most important advances were beginning to be put into operation; some of the wartime rise was a continuation of this upward trend.

Recent Developments

Some recent chemical developments are likely to have a significant effect on agricultural production. Among these are—

Improved methods for the production of ammonia by high pressure synthesis, the outcome of chemical research on the production of explosives. ("The amount of low-cost nitrogenous fertilizers that this new capacity will be able to supply the farmers might well influence the basic trends of agricultural production," says Dr. W. D. McFarlane, Chairman, Dept. of Chemistry, MacDonald College.)

—Simplified, rapid methods of soil analysis applicable to the detection of soil deficiencies in the field, thus providing a basis for improving soil fertility through the intelligent use of fertilizers;

—New chemicals which show great promise in the control of diseases of plants and animals; such products as penicillin, phenothiazene, and the insecticide dichlorodiphenyl-trichloroethane, familiarly called DDT. This modern insecticide has been developed for the control of malaria-breeding insects in the tropics and for the extermination of vermin causing typhus. Its importance may be judged by the fact that 15,000 tons of it are being supplied to the allied armies, so that only a very small quantity is being released to agriculture, practically all being used for experimental purposes. Canadian production will soon develop, it is hoped.

"Chemurgy in Reverse"

Another recent development has been the use of synthetic urea, a compound of nitrogen, which can be readily incorporated as an ingredient in feeding stuffs. This, a leading chemist points out, is chemurgy in reverse.

During the war, much valuable chemical research has been done on our domestic vegetable oils to adapt them to the requirements of industry, and on the production of starch and its products from wheat. These researches were undertaken to meet an emergency of imports and cheap vegetable oils.

War's End Brings Changes

The end of the war is expected to bring major changes for this work. Dr. McFarlane states: "After the war, when the importation of cheap competitive oils and starches is resumed, these markets will either be lost or old tariff problems will be revived, with the cost of living weighing against the advantages of higher production."

Again, during the war important developments have taken place in the fermentation industries, especially with regard to the use of wheat as the raw material. Chemical-engineering research has resulted in great improvements in equipment, processing and utilization of the by-products. New fermentations using farm products and producing new chemicals of great immediate importance include the production of penicillin and other anti-bacterial agents, butylene, alcohol, and so forth.

"Most of the wartime developments," one authority points out, "were known prior to the war but were not developed for economic reasons. The new technical developments in chemurgy are few, but they are likely to survive and contribute new materials competitive with or superior to existing materials. These include anti-freeze, lacquer solvents, components of varnish, plastics and materials for suppressing pests such as insects, moulds, and bacteria."

Another chemist stresses that "we shall have to assess our wartime developments in the cold light of free competition of the postwar periods. Some of these projects will not meet this test and will have to be abandoned; some will stand on their own merits; some may be retained as assurance against future wars."

Chemurgy Not A Cure-all

But all are agreed that chemurgy alone is not going to solve the problems of agriculture in Canada. All discuss the significance of the post war market for Canadian farm products, call this problem more urgent than the chemurgical one, and warn that in any true appraisal of benefits farming has obtained from chemistry, economic advantage must be the guide.

One authority sums up the argument this way:

"If, for example, we insist on making alcohol from grains instead of from by-product molasses, we cannot expect to sell flour to the sugar-growing countries of the tropics; or if we make synthetic wool from casein, we benefit the dairy farmer but compete directly with our own sheep-raisers."

Another chemist points out:

"Chemurgy is not going to solve the problems of agriculture in Canada; that is a vain hope entertained only by a few ill-informed individuals. As long as Canadians have to export commodities, we must consider all chemurgic schemes against the broad background of world agriculture and world trade, instead of in the narrower limits of our internal economy.

"Many chemurgic proposals, while interesting as scientific achievements, are, in the final analysis, only new ways of robbing Peter to pay Paul.

Working in Two Directions

"Furthermore, the scientific discoveries of one group may work directly opposite to those of another. For example, the technique of making industrial alcohol from grains can be used to reduce surpluses, while an equally important discovery, how to make cheap nitrogen and phosphate fertilizers, enables the farmer to grow more grain per acre with the same amount of labor. Thus it is folly to suppose that every scientific discovery ought to be applied immediately to converting our farm produce into some sort of chemical compound, with a view to reducing surpluses or increasing the income of the farmer.

"Those who clamor for the immediate application of every new scientific fact and technique, without weighing the economic side of the question, often do more harm than good, by raising false hopes in the mind of the public. It is obvious that in Canada the primary concern of farmers is the production of foodstuffs. Farmers ought therefore to be more interested in ways of making food available to people who need it, than in ways of getting rid of their surplus by manufacturing it into chemicals which frequently can be manufactured more economically from other sources."

Cost-Reducing Aid

"A lowering of costs," says another chemist, "along with maintenance of high quality in our agricultural products will undoubtedly help us hold and extend our markets, and it is along these lines that the chemist can be of most use to the farmer."

There are however, Dr. McFarlane points out, many chemurgic projects, the chemical research on which has now been largely completed, which it may be desirable to proceed with as part of an anti-depression policy; projects from which the community as a whole might benefit, but which are too far from being straightforward commercial propositions to be undertaken by private industry.

Some of these projects are:

Utilization of straw and other agricultural residues for the manufacture of building materials (wallboard, structural insulation, plastics, etc.) for rural housing projects.

Processing oil seeds as a rural industry in the centres of production.

Whey drying at cheese factories and similar plants.

Manufacture of dehydrated and frozen foods employing small scale equipment which would be designed to enable the farmers to dry their own crops.

Cultivation and processing of milkweed as a source of rubber resins and other industrial materials.

Cultivation and processing of hemp as a source of fibre adapted to the manufacture of cordage, sacking, canvas, etc.

And in spite of their desire to rid us of "silly dreams" of "streamlined fairylands where necessities and even luxuries are showered on us while we sit at our ease," chemists and chemurgists are proceeding with the research from which Canada may some day, as she has in the past, reap great benefit. One picture alone will enthrall the average Canadian:

"If present prognostications come true we can visualize the control of the house fly, which is a problem to the dairy farmer; and we may be able to assure the man who likes to spend his summers in the north country, of a forest from which the mosquito and the black fly have been banished."

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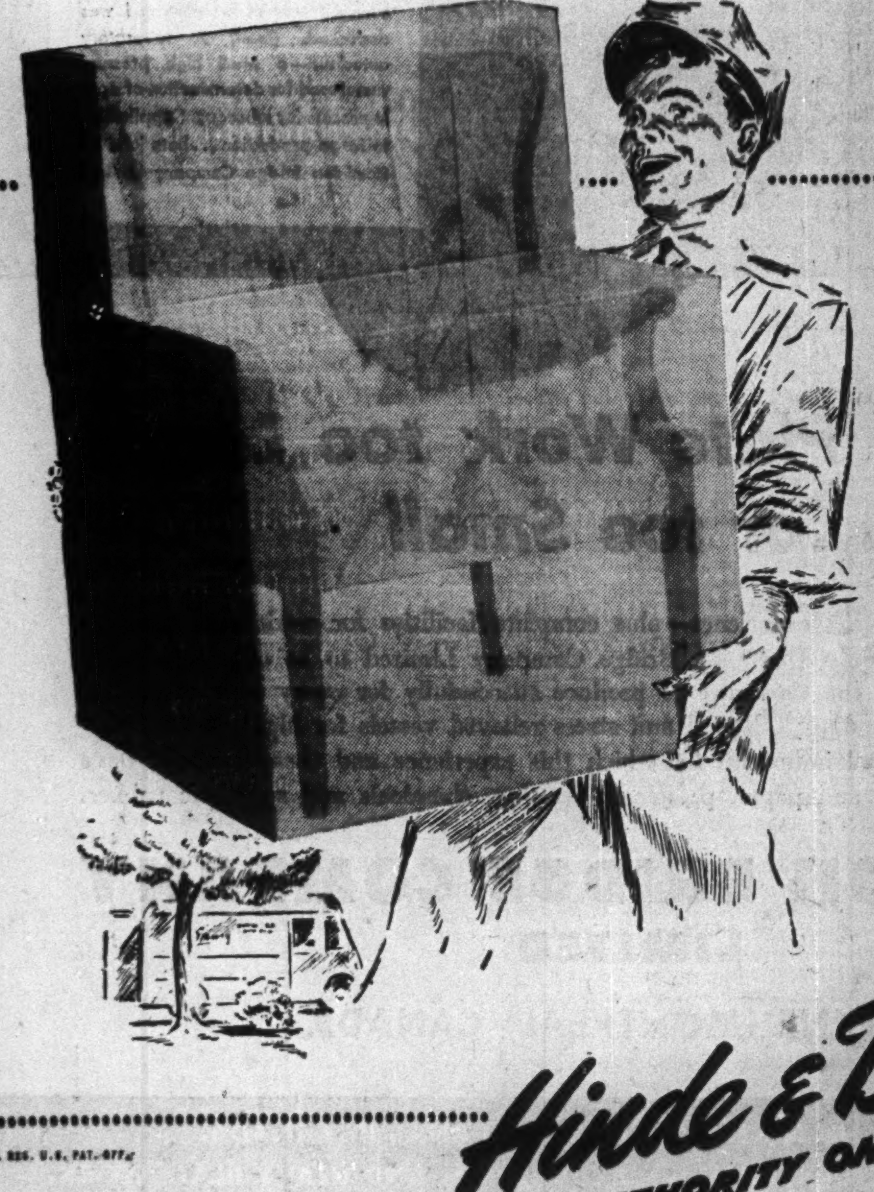

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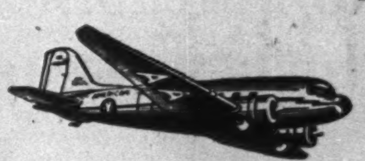

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New Chemical Institute Stresses Chemist's Role

By A. F. G. CADENHEAD
President, Chemical Institute of Canada

Canadian chemical society affairs have invariably advanced most rapidly under the stress of wartime conditions.

The first Canadian section of the Society of Chemical Industry was formed in 1902, at the time of the Boer War; the Canadian Institute of Chemistry, in 1919, immediately after the first World War; and, as of Jan. 1, 1945, came the Chemical Institute of Canada, which represents an amalgamation of the Society of Chemical Industry (local sections), the Canadian Chemical Association, and the Canadian Institute of Chemistry. Thus there now exists in Canada for the first time a single national chemical organization with a full-time general manager and secretary to serve the interests of Canadian chemists and chemical engineers, both professional and nonprofessional.

In medieval times, chemists worked in secret and in many cases were mistrusted and thought to be in league with the supernatural by the people at large. It was not until the scientists were able to show that their work could be translated directly in practical, everyday affairs that the public commenced to respect them, and as time went on, expected more and more marvellous accomplishments; that today even the most astounding discoveries are accepted as a matter of course.

What has happened to the chemist during this transition period? As an individual he worked on, in spite of the hatred, envy and mistrust of the Middle Ages, the adoration and hero worship of the late nineteenth century, and the indifference and complete acceptance of his role in the life of today. It was not until early in this century that the chemist really commenced to share his knowledge with other men of science, and it is only within the last few years that he has come to realize, and (as the result of such realization) insist that the fruits of his labors may be used for the good of the nation. In other words, he is becoming socially minded.

Some of the older members of our chemical societies tell us there was plenty of color and action and even disagreement between individuals in the early days when it was proposed to unite the different chemical organizations in Canada. This was not so many years ago, and yet an almost unanimous yea was recorded last spring when the chemists of Canada voted overwhelmingly to unite in one organization, and play an active and energetic part in the social and technical affairs of the country.

One of the objects of the institute, and through it the 7,000 professional chemists and chemical engineers of the country, is to put the science of chemistry on a fairer and more understandable basis.

Secondly, it seeks to provide facilities for the collaboration of scientists with each other, with industry, with universities and with governments in the solution of local and national problems. Possible activities under this heading are: the formation of a National Planning Board to deal with such matters as the transfer of wartime chemical plants to peacetime uses—conservation, development and use of national resources.

This is probably the most important and far-reaching object of the Institute.

Other objects are to promote the establishment and maintenance of high educational, professional and ethical standards among chemists and chemical engineers, and to protect and promote the social and economic well-being of chemists and chemical engineers and all those associated with the practice of chemistry. Under these headings come the important questions of collective bargaining, salary surveys and maintenance of employment service.

Far more important than just running an employment bureau and collecting statistical information concerning chemists, is the part the Institute should play in seeing to it that the fruits of chemical research are applied in Canada in the shortest possible time and for the benefit of the greatest number of people. The institute not only promotes the establishment of research organizations across the country, but also fosters and encourages the co-ordination of scientific work so that every chemist can feel that he is taking an active part (individually or with a group) in the solving of local, regional or national problems.

How does this have a bearing on employment? It makes more and more people conscious of the role that science plays in their daily lives. The farmer, small industrialist, the municipal and county governments can all profit immeasurably by applying new and better scientific methods to their daily affairs. This all means the training and employment of more and more scientists, so that, in the end, instead of having a surplus of trained and capable men who have to go to foreign countries for work, we should be actually bringing more into the country.

Chemical Research

(Continued from page 14)

interest and frequent misunderstanding: cancer research. Here is what a prominent cancer specialist told The Financial Post about chemistry and cancer:

"In 1936 an 'authority' on cancer stated, 'no cure for cancer will ever come out of a bottle.' This is a little more emphatic than the often repeated remark that 'the only successful treatment for cancer is surgery or radiation.' The average chemist would wish to insert the words 'at present' and perhaps modify or omit entirely the word, 'successful.' Present methods of treatment can scarcely be deemed satisfactory. In stomach cancer, for example, a study reported by the Mayo clinic of approximately 11,000 cases shows that the mean survival rate with all the groups was only a little over two years although all the resources of modern surgery were applied. In Canada over 13,000 deaths occur annually from cancer.

"Research on cancer for the past decade has shown that many chemical substances can induce cancer. Furthermore, the traitorous cancer cell differs chemically from the normal body cell in the way it utilizes its food, that is, the metabolism is different. Again definite differences have been shown to exist between various constituents and properties of the blood of cancerous and normal individuals. By selective breeding, strains of mice have been obtained which develop cancer spontaneously, while other strains are cancer resistant. Some animals are resistant to carcinogenic agents or to small injections of live tumor cells while others develop and succumb to the disease.

"There must be some reason for these differences in behavior. The chemist and biologist and pathologist are interested in discovering the factors which bring about these differences. Research has indicated that during the development and progress of cancer the chemical economy has 'gone wrong': it's not normal. One school of thought considers that this abnormal body chemistry can be caused by too little or too much of some controlling factor, e.g., within the last few years the female hormone has been given to patients with prostatic cancer with a reported slowing down of the tumor growth.

"It has been shown that the department of the body entrusted with 'resistance' to any sort of invasion of foreign cells (dubbed the RES) is very feeble, or even hors de combat in cancer. If these resistance groups are knocked out or blocked by, say, a dye before injection of the tumor cells, the percentage of animals developing tumors is markedly increased, and the rate of tumor growth and the mortality both rise. This resistance department then if rendered immune to the chemical warfare attack by the cancer or other cells, or if strengthened or reinforced or stimulated by some "chemical" should be empowered to defeat or kill off the invading enemy or fifth column.

"Such an effect has already been reported by a Russian scientist using an antiserum prepared from spleen. Other RES stimulants have been developed by Canadian workers.

"The only hope for a cure for cancer lies with the re-establishment of the normal body chemistry. This controlling substance may 'come out of a bottle.' The prospect may be distant, but not unattainable."

But in spite of the limitations stressed by these authorities, they agree that the march of science has served us well:

"Our grandfathers managed fairly well without modern medicine, but fewer people, then, lived to be grandfathers, as a walk through an old cemetery makes clear. Formerly, many deaths occurred in childhood from the gastro-intestinal, respiratory and infectious diseases which were colloquially called 'summer complaint,' 'infantile cholera' and 'croup.' Supposing a few children survived the hazards of dysentery, diphtheria, measles and whooping cough, they then encountered typhoid fever, tuberculosis, cholera and puerperal fever. A hundred years ago a child was lucky to reach the age of 40. Now the vital statistics of Canada show that the average span of life has been increased in the last decade alone by two to three years and chances are excellent of reaching the age of 65."

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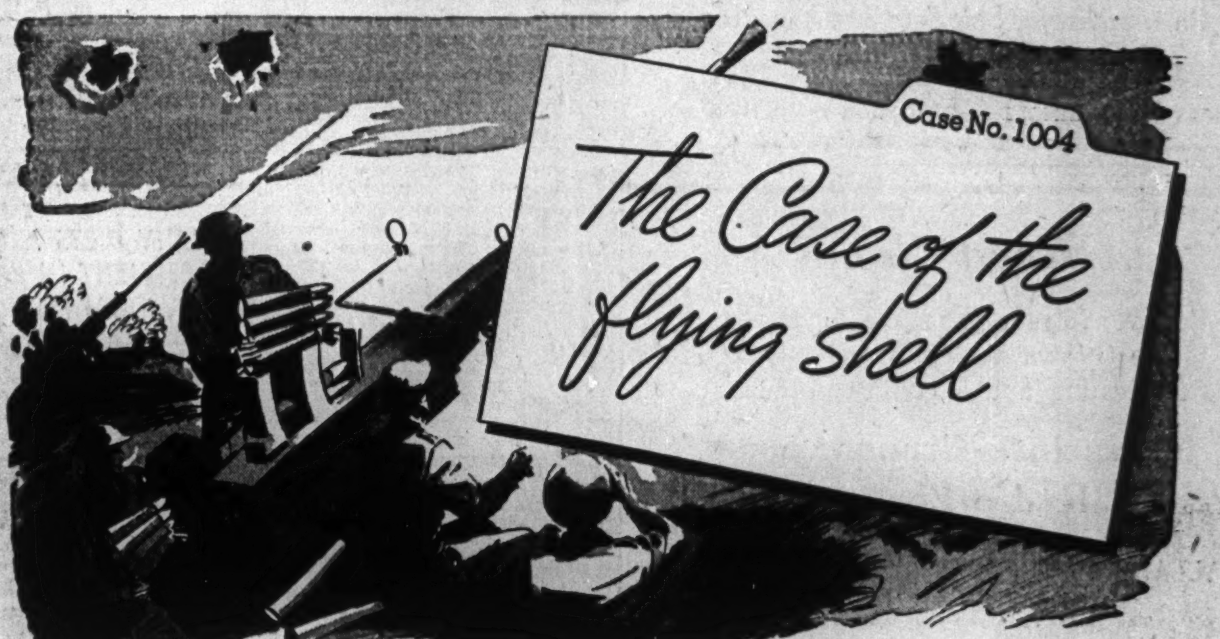

Production slow down in vital war plant . . . cause: drawing oil, operators say

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THE WASHINGTON LETTER

U.S. Shelves Conversion As Cost of War Mounts

BY LAWRENCE SULLIVAN

WASHINGTON—All plans for industrial reconversion have gone on the high shelf once more, following announcement of the War Department's revised procurement schedules, which call for deliveries aggregating $37.8 billions during 1945, an increase of 19% over the final total for 1944. These figures, of course, do not include the Navy's expenditures, nor the shipbuilding program of the Maritime Commission. Neither do they include lend-lease allocations to other nations.

As compared with 1944, the War Department's new schedule calls for an increase of 70% in tank production; and ammunition for heavy field artillery "will rise 199% over 1944 deliveries."

Field equipment, including tents, sleeping bags and similar items of cotton duck will increase 95% ammunition for small arms, 35%; radar equipment, up 87%; heavy field artillery, up 55%. Other increases ranging from 5 to 20% are announced for combat aircraft, field trucks, and general service equipment.

• • •

Lend-Lease from U. S. Equips 5 Million Men

On the same day these upward revisions of the procurement schedule were announced, Secretary of War Stimson urged the House Foreign Affairs Committee to extend the Lend-Lease Act for another year from June 30, 1945.

In reviewing lend-lease operations since March, 1941, he pointed out that U. S. shipments have armed and equipped 4,760,000 troops of Allied armies. He estimated that for the entire period, lend-lease has taken 16% of the total U. S. production of arms and munitions.

Shipments to the British Empire have been sufficient to equip 1,750,000 men, "or 25% of the number of their troops throughout the Empire." The United States has already equipped 225,000 men in the new French army, and are now shipping goods for a second corps of 200,000.

To Russia, the United States has shipped mostly tanks, trucks, planes and self-propelled artillery, plus vast quantities of food. Recent reports indicate that on the Russian lines in Poland "American vehicles are carrying to the troops more than half of their supplies."

Lend-Lease also supplied "substantially all of the equipment" for the Chinese Divisions which fought in Burma, and the 18,000 Brazilians in Italy.

In short, the U. S. has not only recruited and equipped 12 million men in her own military forces, but also has supplied the basic sinews of war for almost five million additional men in England, Russia, China; France and Brazil.

One set of figures highlights the real economic weight of these shipments:

During 1944 total U. S. consignments of motor trucks to Russia, alone, were 345,000 units. But the total allocation of trucks for all civilian uses at home during 1945 is but 186,000 units.

Outlook Bright For Home Oil

President Lowery Reviews Situation for Shareholders

Declaring that "there never was in the history of your company as promising an outlook for the development of oil on your property as there is at the present time," Jas. R. Lowery, president of Home Oil Co. has issued a survey of the position of Home, finds many factors in the company's favor.

According to Mr. Lowery, Home's proved oil reserves are the largest in Turner Valley while "your undeveloped territory indicates potential oil reserves far beyond those of your established reserves." The tendency to value Home on an industrial or dividend basis does not place a proper value on the company's oil reserves, it is stated.

Following successful completion of six wells on outside locations extending Turner Valley structure to the northwest, holdings in that area were increased from 11,000 acres to over 25,000 acres. Two further wells in that area are now being drilled.

Home No. 16 well further north than any other producing well in Turner Valley was last month assigned the largest allowable production of any well. A further well is being drilled on the Brazeau structure in association with others. A heavy duty rig is now being moved in to the well location.

Production Up In Newsprint

From Our Own Correspondent

MONTREAL—Although Canadian newsprint mills in January operated at the highest production level since September, 1942, U. S. newsprint production again was reduced in the month, from year before, due to present government restrictions on usage and continued diversion of Canadian paper overseas.

Canadian newsprint production in January totalled 264,766 tons compared with 244,970 tons in December, 1944, and 242,658 tons in January, 1944. Shipments totalled 232,110 tons against 230,780 and 209,599.

U. S. output in January showed little change from last year, Newfoundland output was up 27.5%. Percentage increase in Canadian production over last year was 9.1%.

U. S. consumption of newsprint last month is estimated at 255,439 tons against 284,072 tons in December and 268,538 tons in January, 1944.

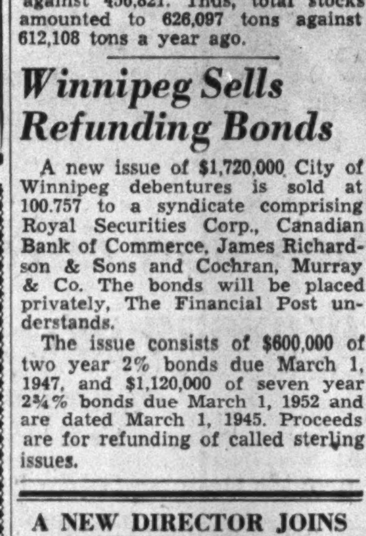
Stocks of North American manufacturers at the end of January totalled 144,303 tons against 155,287 tons the year before. Stocks held by consumers totalled 481,794 tons against 456,821. Thus, total stocks amounted to 626,097 tons against 612,108 tons a year ago.

Winnipeg Sells Refunding Bonds

A new issue of $1,720,000 City of Winnipeg debentures is sold at 100.757 to a syndicate comprising Royal Securities Corp., Canadian Bank of Commerce, James Richardson & Sons and Cochran, Murray & Co. The bonds will be placed privately, The Financial Post understands.

The issue consists of $600,000 of two year 2% bonds due March 1, 1947, and $1,120,000 of seven year 2¾% bonds due March 1, 1952 and are dated March 1, 1945. Proceeds are for refunding of called sterling issues.

A NEW DIRECTOR JOINS THE BOARD OF CHARTERED TRUST AND EXECUTOR COMPANY



Thomas H. Hogg, B.A.Sc., C.E.D. Eng., Chairman and Chief Engineer, Hydro Electric Power Commission of Ontario.

Cancels Order To 'Bin' Barley

Enough Western Grain for Eastern Hogs, New Decision

From Our Own Correspondent

WINNIPEG—The Feeds Administrator has yielded to objections and has withdrawn an order which proposed to prohibit the special "binning" of lower grades of barley for export to the United States. The intended action had been based on the idea that not enough western barley would be available for the needs of eastern farmers who are feeding hogs. The prevailing impression in the grain trade is that a scarcity in that respect was not so much impending as feared. Eastern buyers of barley, it is understood, are not suffering from lack of supplies and are not likely to do so for several months.

By midsummer, however, if it should happen that prospects for feed grain crops are poor in Ontario, Quebec and the western provinces, supplies will slacken and demand will increase. Western farmers will hang on to barley they might otherwise have marketed and eastern farmers will be prepared to buy and store larger supplies than usual.

Barley which might be diverted at the present time from the United States would not go so much into immediate consumption, but into a bank of supplies under control of governmental authorities against possible later emergencies. But enforced diversion of barley from the United States might do more harm to the possible future feed situation than would be corrected by the present accumulation of supplies.

At the present price relationship between barley and wheat it is not going to be easy to maintain for 1945 the same acreage in barley as was seeded last year. If some farmers get annoyed by government action which prevents them getting the premium of five cents a bushel on barley selected for malting purposes, they might be influenced to cut down barley acreage and increase wheat acreage, instead of doing the reverse as the Government has asked them to do.

Willingness of buyers in the United States to take for malting low grades of Canadian barley, which maltsters on this side of the line would not accept, has been a matter of puzzlement to some, particularly as brewers in the United States have usually been very discriminating buyers of barley and of malt. The answer lies in the large program in the United States for making industrial alcohol from wheat, a process which requires to be assisted by a certain percentage of malt, but not necessarily malt of the highest quality or of fine flavor.

Cotton Textile Mills More Active in Jan.

From Our Own Correspondent

MONTREAL—Cotton textile mill activity, as indicated by bale openings, showed an improvement in January over the preceding month, but was slightly below the previous year. Bale openings last month totalled 31,983 against 30,848 in December and 32,730 in January, 1944. In January of the two preceding years, there were declines from December.

The index figure—basis 1935-39 equals 100 and which includes imported cotton yarn as well as cotton bale openings—stood at 127.7 in January against 130.7 the month before and 130.6 the year before.

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EXTRACT FROM MARKET LETTER NO. 363 (dated Jan. 23, 1945):
"Hasaga also appeals to me at 60c. This Company is a producer and has earned as high as 10.98 cents per share when operating at capacity. In addition, it is now drilling on its number 2 property adjoining Madsen and favourable results are expected from this drilling. John E. Hammell interests are backed by Hasaga and it looks like a $1 stock from the way it is being quietly accumulated."

EXTRACT FROM MARKET LETTER NO. 367 (dated Feb. 6, 1945):
IMPORTANT: "Hasaga, which I recommended strongly in letter No. 363 at 60c for a move to a $1, got underway with fireworks today, jumping to 78c. In my opinion it is still a buy for **much higher prices.** Buy it. I understand a sensational drill core has been pulled and it seems to have the Madsen break." Price of Hasaga Shares Feb. 8—$1.00.

Results as Expressed by Clients
"You might be interested to know I bought Hasaga on your recommendation at 64c and naturally I am pleased."—Vancouver, B.C.
"The information sent out by you is good; d—— good."—North Bay, Ont.
"Your judgment so far seems to be nearly 100% correct."—Toronto.

Oscar C. Bartells, B.Com., Market Analyst,
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announce that the Company's Name has been changed to
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as of February 12th, 1945

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The PORTAGE LA PRAIRIE MUTUAL INSURANCE COMPANY
PORTAGE LA PRAIRIE, MAN. WINNIPEG, REGINA, EDMONTON

SIXTY-FIRST ANNUAL REPORT

Balance Sheet as at December 31st, 1944

ASSETS

Real Estate (Head Office Buildings)			$ 2.00
Investments: Bonds and Debentures at Book value (par value $1,029,119.63)		$1,001,227.13	
Plus: Amount to increase to values approved by Dominion Government		34,013.70	
Market Value—as approved			1,035,240.83
Deposits with Trust Companies for investment			15,000.00
Cash on hand			3,538.94
Cash in Banks: Canadian Bank of Commerce, Portage la Prairie, Man.		$ 161,741.74	
Huron & Erie Mortgage Corp., Winnipeg, Manitoba		1,581.34	163,323.08
Interest accrued on investments			8,251.36
Agents' Balances and Premiums uncollected ($11.56 prior to October 1, 1944)			35,248.67
Furniture and Fixtures $1.00; Automobiles $1.00.			2.00
Amount of Premium Notes on hand on which policies are issued		$1,095,613.01	
Deduct: Amount paid thereon, plus residue reduction	$356,616.66		
Amount assessed thereon, remaining unpaid	7,172.41	363,789.07	
Balance (Unassessed) carried out			731,823.94
Total Assessment on Prem. Notes		$ 214,265.31	
Deduct: Amount received thereon		$ 207,092.90	
Balance Carried Out			7,172.41
Surrender Value of Life Insurance Policies			4,439.80
Gross Assets			$2,004,043.03
Deduct. Assets Not Admitted: Agents' balances and premiums uncollected prior to October 1, 1944, $11.56; Furniture and Fixtures, $1.00; Automobiles, $1.00; unassessed portion of Premium Notes, $731,823.94			731,837.50
Net Admitted Assets			$1,272,205.53

LIABILITIES

Unpaid Claims in process of adjustment		$ 16,709.80
Less: Re-Insurance thereon		1,889.12
Unpaid Claims—Net		$ 14,820.68
Reserve of Unearned Premiums (Dominion Government Standard)		187,025.74
Reinsurance Premiums Held as Reserve		86,069.07
Reinsurance Accounts Payable		11,598.34
Sundry Accounts and Accrued Taxes		2,168.65
Liability to Employees' Retirement Fund		28,753.42
Total Liabilities		$ 330,435.00
General Reserves: Reserve for Contingencies	$ 25,000.00	
Reserve for Future Fluctuation of Investments	110,000.00	
Reserve for unlicensed, unsecured Reinsurance	10,468.87	145,468.87
Total Liabilities and Reserve		$ 475,904.77
SURPLUS: Unallotted Surplus		796,300.76
TOTAL		$1,272,205.53

CERTIFICATE TO POLICYHOLDERS—We certify that we have audited the books, accounts and vouchers of The Portage la Prairie Mutual Insurance Company for the year ended 31st December, 1944. We have obtained all the information and explanations required, and after due consideration, have formed an independent opinion as to the financial position of the Company. In our opinion so formed the Balance Sheet herewith is properly drawn up so as to present a true and correct view of the state of the Company's affairs as at the 31st December, 1944, according to the best of our information, the explanations given to us, and as shown by the books of the Company. All the transactions of the Company that have come under our notice have been within the objects and powers of the Company.

Winnipeg, Canada, 20th January, 1945.

G. B. HARE & CO., C.A. Auditors.

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A. H. THORPE, Manager. — A. G. HALL, A.I.I.A., Treasurer.

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"The Company operates under the Dominion Insurance Act and is subject to Annual Inspection by Dominion Government Officials."

FIRE and Windstorm

Sees Banks Widening Field

May Extend Into Longer Term Industrial Loans

That chartered banks are not likely to leave the financing of small industries for intermediate or long terms entirely to the Industrial Development Bank is the feeling of B. C. Gardner, vice-president and general manager of the Bank of Montreal, expressed before the Montreal chapter of the Canadian Credit Institute recently.

A changing world requires changing practices and having regard to the vast amount of savings deposits the banks have, credit for capital purposes on longer terms than in the past may well be extended to borrowers with satisfactory records, he indicated.

Reason given for the establishment of the Industrial Development Bank he explained was that there is a certain type of small business which requires intermediate or long term credit not available through ordinary channels. The argument was that the chartered banks' main function is to provide the liquid capital of a business and that investment houses should normally provide the long term credit. It had also been said, he declared, investment houses cannot make small long term loans because of a difficulty of distributing securities of small and unknown borrowers and because of the relatively high costs of preliminary investigation, legal work and the like entailed in a small issue.

While he saw danger in the government going into this class of lending through the Industrial Development Bank, he believed the difficulties could be surmounted, and he indicated that the chartered banks could likewise extend credit in such cases where the borrower's record gave reasonable assurance of repayment.

One difficulty seen by Mr. Gardner in the way of the chartered banks invading the field of the Industrial Development Bank, however, is that they cannot take mortgage security and so would be at a disadvantage. On the other hand, because they operate current accounts and do a day-to-day business, which the IDB does not, they should be better placed to follow closely day-to-day operations of the borrower.

Mr. Gardner continued:

"One of the present difficulties confronting private enterprise which may make it difficult to raise new capital, is the very severe scale of taxation now in force. No one resents this taxation during wartime. We have entered this struggle with the determination to win and anything which stands in the way of victory must be tossed aside. But that does not mean to say that business cannot and should not look for relief after the struggle is over. It may be interesting to read from the testimony given by the governor of the Bank of Canada before the banking and commerce committee on the subject of private enterprise and taxation.

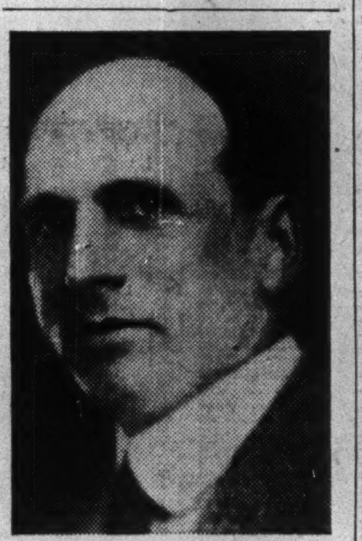
"Mr. Towers mentioned that it is a good deal harder nowadays to interest individuals in putting capital into small enterprises, unless they are those which they are managing and trying to build up themselves. The question was then asked 'Why is that?' Mr. Towers replied, 'Taxation.' A further question was then put—'In other words, are we taxing ourselves out of private enterprise and taxing ourselves into a state of public aid or public ownership?' Mr. Towers' reply was as follows:

'I think there is a tendency in that direction. I do not think the war situation can be cited as an example because during a period of war it is necessary to do things which may not be applicable in peace, but that the tendency existed before the war I think was also true, although naturally not nearly to the same extent.'

"I realize that the postwar tax burden will have to be allocated over the taxable resources of the community in one way or another. But I suggest that a high corporation income tax, as a normal peacetime way of raising revenue, is in effect a tax on the processes of production and employment as well as a peculiarly inequitable form of double taxation on the individual. It is my belief that corporation taxes will be among the first to be reduced, after the conclusion of hostilities."

Tendencies toward extension of governmental intervention in both domestic and external commerce Mr. Gardner sees raising a question as to the extent to which such intervention should be desirable. If business succumbs to the lure of lack of competition evident in some cases where government has intervened under the pressure of war it will, he believes, be forging the links for its own enslavement.

A worthy objective, he declared, was to make Canada again a land of opportunity as it was in 1906 where prospects for a man to make a good living for himself and family will not only be reasonable but good.



DIRECTOR

Walter A. Dilworth, appointed to the Sterling Trusts Corp. board of directors. He is president of York Trading Ltd., Toronto.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

University of Toronto — Lt.-Col. W. E. Phillips, chairman, board of governors.

Dominion Life Assurance Co. — A. S. Upton, general manager.

John Inglis Co.—Fred Y. Walters, general sales manager.

Engineering Institute of Canada—Dean E. P. Featherstonhaugh, president.

Dominion Securities Corp.—K. M. Pringle, president.

Ont. Govt.—Dr. J. T. Phair, Deputy Minister of Health.

Colgate-Palmolive-Peet Co. — R. E. Jones, advertising manager.

Robert Simpson Co. — E. G. Burton, managing director; G. M. Graham, general manager, mail order division; J. G. Clark, general superintendent; G. H. Baker, general sales manager; S. S. Fletcher, general manager, Toronto store.

Canadian Food Products Ltd.—H. L. Walker, president; E. P. Taylor, chairman of the board.

Continental Life Insurance Co.—G. Hunt, J. Hunter, W. F. Smith, assistant general managers.

National War Services—F. E. Jolliffe, Deputy Director of Censorship.

TCA—W. F. English, vice-president in charge of operations.

Council for Canadian Unity—Sir Ellsworth Flavelle, chairman.

Windsor Chamber of Commerce—C. J. O'Neill, president.

B. C. Electric Railway Co.—L. B. Jack, assistant to the executive vice-president.

Chartered Trust & Executor Co.—D. P. MacDougall and H. E. Langford, assistant general managers.

Spitzer & Mills Ltd.—D. R. Oliver to executive staff.

Ferres Advertising Service—T. S. Glover to staff.

CPR—G. A. Walker, vice-president and general counsel; F. C. S. Evans, general solicitor.

International Harvester Co. of Canada—William B. Gay, Comptroller.

B. F. Goodrich Rubber Co. of Canada — I. G. Needles, general manager, tire sales division; Roy A. Gunther, field sales manager in charge of wholesale and retail tire sales.

Montreal Tramways Co.—Thomas D. Robertson, secretary-treasurer.

Sterling Trusts Corp. — Robert Bigelow, Walter A. Dilworth, directors.

Veterans' Affairs Dept.—A. J. Dixon, assistant deputy minister.

Dominion Rubber Co. — George Bergeron, general sales manager, mechanical and sundries division.

Quebec Chain Retail Distributors Assn.—J. G. Renaud, president.

Canadian Lumbermen's Association—D. A. Gillies, president; W. J. LeClair, secretary,manager; Raoul Guerette, vice-president; J. D. Branch, chairman, retail lumber bureau.

Bank of Nova Scotia—K. S. Russell, manager, Winnipeg branch.

Royal Trust Co.—G. A. Campbell, J. A. Kilpatrick, R. Clarkson, directors.

Toronto General Trusts Corp.—Major J. E. Hahn, director.

Canadian Forestry Association — V. E. Johnson, chairman; R. Black, president; Dr. J. S. Bates, vice-president and chairman of executive committee.

Industrial Development Bank — J. C. Ingram, supervisor, Ontario division.

Canadian Bank of Commerce — A. H. Watson, manager, main branch, Winnipeg.

Swift Canadian Co.—G. R. Castle, aassistant general manager; A. E. Millard, manager, Toronto plant; A. E. Miller, manager, Edmonton plant.

Borden Co.—J. W. Lawrence, director of advertising and sales co-ordination.

Sherwin-Williams Co. of Canada—Arthur H. Carter, manager of insecticide sales.

Vernon Johnson Heads Forestry Association

From Our Own Correspondent

MONTREAL — Vernon E. Johnson, Montreal, has been elected chairman of the board of the Canadian Forestry Association, Robson Black named president for a second term, and D. J. S. Bates re-elected vice-president and chairman of the executive committee.

New directors of the association are Major-General Howard Kennedy, Thorold, Ont., J. D. Brule, Val Brillant, Que., Wallace Delahey, Toronto, Hon. J. L. Phelps, Regina and W. F. Stewart, Vancouver.

JOINS BOARD

Robert Bigelow, K.C., appointed to the board of directors of Sterling Trusts Corp. Mr. Bigelow is president of Edmonton Stock Yards Ltd. and Union Stock Yards of Saskatoon Ltd.

BANK OF CANADA

Small Decline In Note Issue

Note circulation of the Bank of Canada shows a small seasonal decline in the statement for the week ended Feb. 14., reflecting the slackened demand for cash usually seen at this time of year.

Deposits with the Bank of Canada were practically unchanged from the previous week, but miscellaneous liabilities were lower.

On the credit side investments were down slightly with miscellaneous assets also lower.

	Feb. 14 1945 $	Feb. 7 1945 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	1,020,048,354	1,021,545,070
Rest fund	10,050,367	8,041,601
Deposits: Dom.	33,508,567	36,086,815
Chartered bks.	418,429,279	415,044,008
Other	28,562,550	29,742,710
Total deposits	480,500,396	480,873,533
Liabs. payable in sterling, U.S.A. and For. Gold currencies	172,257,273	172,257,273
All other liabs.	12,890,733	32,473,384
Total liabs.	1,700,747,123	1,720,190,861
Assets		
Sterl. & U. S. ex.	175,557,273	175,557,273
Subsid. coin	382,780	332,480
Investments:		
Dom. gov. sh.	901,104,204	919,041,926
Oth. Dom. gov.	595,280,894	590,279,115
Other secs.	10,000,000	10,000,000
Total invest.	1,506,385,098	1,519,321,041
Premises	1,822,838	1,822,547
All other assets	16,499,134	23,157,520
Total assets	1,700,747,123	1,720,190,861

Insurance
W. H. BOSLEY AND COMPANY
REAL ESTATE BROKERS
Properties
SOLD • RENTED • MANAGED AND APPRAISED
WA. 1031
28 ADELAIDE ST. W. TORONTO

THE MONTREAL
CITY and DISTRICT
1846 SAVINGS BANK 1944

Ninety-Eighth Annual Report

Montreal, February 12th, 1945.

To the Shareholders.

Gentlemen,

Your Directors have pleasure in presenting the ninety-eighth Annual Report of the affairs of the Bank and the result of its operations for the Year ending December 31st, 1944.

The net profits for the year were $407,383.94 and the balance brought forward from last year's Profits Account was $145,899.84, making a total of $553,283.78. In addition to the usual quarterly distributions to its shareholders, the Bank contributed from this amount $16,900.00 to various charitable and philanthropic funds—independently of the sum of $9,875.00, interest on the Charity Donation Fund, distributed as usual—leaving a balance at the credit of undivided Profits Account of $256,383.78 to be carried forward to next year.

It is with deep regret that your Directors record the death of their esteemed colleague, Mr. Zéphirin Hébert, which occurred on the 19th of November last. Mr. Hébert had been a director of the Bank for over a quarter of a century and had rendered valuable service to the institution. We feel that you will share our sorrow at his loss.

The vacancy on the Board has been filled by the nomination of Honourable Henri Groulx.

As usual, a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The Report of the Auditors and the Balance Sheet are herewith submitted.

D. A. HINGSTON,
President.

GENERAL STATEMENT
DECEMBER 31st, 1944

LIABILITIES

To the Public:		
Deposits bearing interest, including interest accrued to date	$94,335,515.34	
Deposits not bearing interest	1,951,724.13	
Charity Donation Fund	180,000.00	
Other Liabilities	1,904,783.02	
		$98,372,022.49
To the Shareholders:		
Capital Stock (Amount subscribed $2,000,000.00), paid up	$ 2,000,000.00	
Reserve Fund	3,500,000.00	
Balance of Profits carried forward	256,383.78	
Dividends outstanding	616.02	
Dividend payable January 2nd, 1945	80,000.00	
		5,836,999.80
		$104,209,022.29

RESOURCES

Cash on hand and in Chartered Banks	$ 9,496,379.82	
Dominion and Provincial Government Bonds	69,074,784.83	
Canadian Municipal and School Corporation bonds and debentures	15,778,686.24	
Bonds of Canadian Public Utilities Corporations	5,109,720.00	
Sundry Securities	247,200.00	
Call and Short Loans, secured by collateral	3,215,524.47	
Loans to Fabriques de Paroisses or to Religious Corporations	51,400.00	
Charity Donation Fund, invested in Dominion and Canadian Municipal Securities approved by the Dominion Government	180,000.00	
		$103,153,695.36
Bank premises (Head Office and Branches)	1,000,000.00	
Other Assets	55,326.93	
		1,055,326.93
		$104,209,022.29

On behalf of the Board,

D. A. HINGSTON, President.

T. TAGGART SMYTH, General Manager.

PROFESSIONAL DIRECTORY

CHARTERED ACCOUNTANTS

ANDREW D. MAGEE
CHARTERED ACCOUNTANT
TORONTO 320 BAY STREET EL. 5277 — HAMILTON 181 HUNTER ST. E. 2-2471

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
C. J. Dick — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

MERRICK B. DAVIDSON
Chartered Accountant
547 CONFEDERATION LIFE BLDG.
TORONTO, 1
TELEPHONE ADEL. 4471

P. S. ROSS & SONS
Established 1858
CHARTERED ACCOUNTANTS
MONTREAL TORONTO WINNIPEG CALGARY VANCOUVER

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants
Rutherford Williamson, F.C.A. — Harold A. Shiach, F.C.A.
Douglas J. Sales, C.A. — Woodburn F. Gibson, C.A.
Rutherford Williamson, Jr. B. Com., C.A. — Richard J. Middleton, B. Com., C.A.
TORONTO — MONTREAL
Rutherford Williamson, F.C.A., Licensed Trustee and Receiver

W. J. McCOY
Chartered Accountant
100 ADELAIDE ST. W., TORONTO
Phone AD. 4795

Charles T. Sears & Co.
Chartered Accountants
ROYAL BANK BUILDING, LONDON, ONTARIO
CHARLES T. SEARS, C.A. H. H. GRAHAM, C.A. P. E. MOLLOY, C.A.

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON, R. S. McPHERSON, Licensed Trustees — FEDERAL BUILDING TORONTO — GALT KITCHENER

McDonald, Currie & Co.
Chartered Accountants
MONTREAL TORONTO QUEBEC OTTAWA SAINT JOHN

WM. C. BENSON & CO.
Chartered Accountants
OFFICES AT
LONDON 267 Dundas St. — TORONTO 86 Bloor St. W. — WINDSOR 206 Douglas Bldg.

RITCHIE, BROWN & CO.
Chartered Accountants
MONTREAL TORONTO

CHARTRE, SAMSON, BEAUVAIS, GAUTHIER & CIE
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL QUEBEC ROUYN

Ross, Frewin & Co.
Chartered Accountants
D. L. Ross & Co.
Licensed Trustees — Liquidators — Receivers
TORONTO MONTREAL SAINT JOHN, N.B. MONCTON

WILLIAM DOWIE AND COMPANY
CHARTERED ACCOUNTANTS
28 JAMES STREET SOUTH
Hamilton — Ontario

Clarkson, Gordon, Dilworth & Nash
CHARTERED ACCOUNTANTS
Toronto • Montreal • Hamilton • Winnipeg • Vancouver
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON ST. WEST, • TORONTO

ERIC RICHARDSON & GRAVES
Chartered Accountants
ERIC RICHARDSON—LICENSED TRUSTEE
LANCASTER BUILDING, CALGARY, ALBERTA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

WINSPEAR, HAMILTON, ANDERSON & CO.
Chartered Accountants
Edmonton — Vancouver

PROFESSIONAL DIRECTORY

LEGAL

MOLYNEUX L. GORDON, K.C.
330 Bay St., Toronto 1
Taxation

Fennell, Porter, McLean & Davis
ROBERT FENNELL, K.C.
DANA H. PORTER, K.C.
W. E. McLEAN, K.C. (Man.) BRUCE P. DAVIS
EILEEN MITCHELL
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

Certified Public Accountant

FREDERICK HARDING
CERTIFIED PUBLIC ACCOUNTANT
HAMILTON, ONT.
Phone 7-1474

T. P. GEGGIE
CHARTERED ACCOUNTANT
PHONE ELGIN 8557
330 Bay St.
TORONTO, CANADA

PROFESSIONAL DIRECTORY

CONSULTING ENGINEERS

CANADIAN RESEARCH INSTITUTE
Chemical, Electrical, Mechanical
Research and Development
Electronic Testing Equipment
463 SPADINA AVE. — TORONTO 4, CANADA

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CONSULTING INDUSTRIAL & CHEMICAL ENGINEERS
1420 SHERBROOKE ST. W. — MONTREAL

R. J. H. RYALL & CO., LIMITED
67 YONGE STREET, TORONTO
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MANAGEMENT CONSULTANTS

MURRAY — JONES & CO.
Industrial Engineers & Consultants
Specializing in plant layout—processing—machine design
12 Richmond St. E., TORONTO — ELgin 7573

THE GENERAL ENGINEERING COMPANY (CANADA) LIMITED
100 ADELAIDE STREET WEST — TORONTO, ONTARIO
Affiliated with The General Engineering Company Inc., Salt Lake City, Utah, U.S.A. British-Geco Engineering Company Limited, London, England.
CONSULTING ENGINEERS, DESIGNERS, BUILDERS, AND MANAGERS OF INDUSTRIAL AND MINING OPERATIONS

ANALYTICAL CHEMISTS

MILTON HERSEY CO., LIMITED
Analyses and Physical Tests of All Metals and Materials.
MONTREAL 980 St. Antoine St. — WINNIPEG 233 Fort Street

CHARTERED ACCOUNTANTS

LEE & MARTIN
Chartered Accountants
HALIFAX, N.S.
Maritime Telephone Bldg.

MILLAR, MACDONALD & CO.
Chartered Accountants
WINNIPEG, MANITOBA

H. R. DOANE & COMPANY
CHARTERED ACCOUNTANTS
53 Grafton St. — N. S. Trust Bldg. — MacGregor Bldg.
CHARLOTTETOWN — HALIFAX — NEW GLASGOW

EDWARDS, MORGAN & CO.
Chartered Accountants
TORONTO — MONTREAL — TIMMINS
WINNIPEG — CALGARY — VANCOUVER

Arthur A. Crawley & Co.
Chartered Accountants
OTTAWA - MONTREAL - BROCKVILLE - TORONTO - SUDBURY
NORTH BAY - SAULT STE. MARIE

NORMAN B. McLEOD
CHARTERED ACCOUNTANT
KENT BUILDING — TORONTO
Phone: WAverley 6460

Ronald, Griggs & Co.
Chartered Accountants
WINNIPEG
SASKATOON

ERNEST W. HUNTER
CHARTERED ACCOUNTANT
57 Bloor Street West
Tel. Kl. 4812

MASECAR, DeROCHE & McMILLAN
Chartered Accountants
SASKATOON SASK.

ISN'T IT THE TRUTH? By Ti-Jos

OTHER COUNTRIES PRAISE IT

Canada's successful fight against inflation is quoted with admiration all over the world. It's regarded everywhere as an outstanding example of what can actually be done when the people *and* business *and* the government *all* work together. Let's keep it up!

JOHN LABATT LIMITED
London Canada

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING FEBRUARY 20

* Participating. † On arrears. ‡ Net after corporate income tax. † Paid in 1943. * Paid or payable in 1944

Mining Stocks

Week Ending Feb. 20

Oil Stocks

High	Low	Div. Rate	Yield %	Company Sales		Last Feb. 13	High	Low	Close
.05	.02	.....	....	Oil Select	4,500	.04½	.04½	.04½	.04½
.70	.37	.....	....	Okalta	16,450	.52	.60	.53½	.55
.20	.02	.....	....	Pacalta	99,364	.14½	.18	.13½	.15
1.07	.40	.....	....	Pacific Oil	31,000	.50	.51	.48	.48
.70	.43	.....	....	Pac. Pete	1,500	.54	.56	.55	.56
22.00	17.50	1.00	....	Royalite	770	20.50	21.00	20.00	20.50
.04½	.02½	.....	....	South End	14,500	.03½	.04	.03½	.04
.28	.17	.....	....	So. West Pete	2,050	.25	.21	.15	.21
.12	.04½	.....	....	United Oils	12,500	.06	.09	.08	.09
.26	.06	.....	....	Vermilata	56,700	.15	.15	.14½	.15
.22	.15	.....	....	Vulcan	600	.22	.22	.21	.22

† Paid in 1943. * Paid or payable in 1944 to date.

Volume of Stock Sales

	Montreal	Toronto	Vancouver
Feb. 20	117,000	1,337,000	......
Feb. 19	109,900	1,255,000	......
Feb. 17	86,700	784,000	......
Feb. 17	142,800	1,412,000	142,746
Feb. 15	117,600	1,563,000	99,139
Feb. 14	100,800	1,858,000	186,115

Government Bonds

Feb. 20, 1945 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	104½	105½
3	Mar. 1954	103½	104
3	Nov. 1956	102	102½
3	May 1957	100½	101½
3	Jan. 1959	100½	101
3	June 1960	99½	100½
3	Feb. 1962	99½	100½
Dom. of Canada Bonds			
2	Mar. 1945	99½	1001/3
2	Dec. 1946	100½	101½
4½	Feb. 1946	103½	103½
2½	Mar. 1948	101½	102½
1½	May 1946	100½	101
3½	June 1949	102	102½
3½	Nov. 1951	1041/3	105
4	Oct. 1952	105½	106½
3½	Feb. 1952	105½	106
3	Oct. 1952	103	103½
3	June 1955	101½	102½
4½	Nov. 1956	104½	105
4½	Nov. 1957	106½	107
3	June 1958	100½	100½
4½	Nov. 1958	107½	108½
4½	Nov. 1959	109½	110½
3½	June 1966	103	103½
3	Perpetual	96½	97½
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	101	101½
3	Jan. 1959	99½	100½
4½	Sept. 1951	124½	...
4½	Feb. 1956	129	...
4½	July 1957	130	...
3	Feb. 1953	102	103
4½	June 1955	130½	...
5	Feb. 1954	116½	117½
5	Oct. 1969	128	...
5	Feb. 1970	128	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	131½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	112	114
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	110½	112½
3	Oct. 1951	98½	100½
3½	Aug. 1949	99½	101½
3½	June 1956	100½	102½
4½	Apr. 1961	124	127
5	Jan. 1960	127	129½
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100½	102½
3½	Nov. 1950	102½	104½
4½	Sept. 1952	116	118½
4½	Nov. 1960	128	131
5	Mar. 1960	132	135
Ontario:			
2½	May 1945	99½*	100½
3	Apr. 1948	100½	102½
3	Nov. 1950	101½	103
3½	Nov. 1951	102½	104½
3½	May 1955	102½	104
4	June 1962	124	128
4½	June 1950	109½	110½
4½	Jan. 1962	131½	135
5	Oct. 1948	108½	110½
5	Dec. 1960	137½	140
5½	July 1946	104½	105½
Ont. Hydro Commission:			
3	Aug. 1943	100½	102½
3½	Feb. 1953	102½	104
3½	Apr. 1947	102½	103½
Prince Edward Island:			
4	Mar. 1954	103	105
Quebec:			
3	Nov. 1947	100	102
3½	Mar. 1948	100½	102½
3½	Mar. 1959	101½	103½
4	Nov. 1952	103½	105½
3½	Feb. 1955	102½	104½
4½	Aug. 1958	109½	111½
4½	Jan. 1963	114½	116½
British Columbia:			
4	Dec. 1957	116½	118½
4½	Jan. 1951	118½	120½
4½	Oct. 1953	119½	122½
5	Apr. 1954	125½	128½
5½	Feb. 1945	99½	101½
6	Feb. 1947	105	106½
Alberta:			
4½	Oct. 1956	96½	99½
4	Dec. 1954	93½	96½
5	Oct. 1959	97	100
5½	Apr. 1952	97½	100½
6	Mar. 1947	94½	97½
Manitoba:			
4	Dec. 1957	113½	115½
4½	Dec. 1956	117½	119½
5	Dec. 1959	123½	126½
5½	Oct. 1955	115½	118
6	Apr. 1947	104	106½
Saskatchewan:			
4	Sept. 1954	84	87
4	Nov. 1960	83½	86½
4½	Oct. 1951	97½	100½
4½	Mar. 1960	90	93
5	Aug. 1956	92	95
5½	Oct. 1952	95	98
6	Mar. 1952	96½	99½

*Payable N. Y.

Unlisted Stocks

(Compiled from quotations provided by Kamm, Garland & Co. Ltd., Kippen & Co. Inc., and Plaxton, McDonnell & Co.

February 19, 1945

	Bid	Asked		Bid	Asked
Allens London Theatre pfd.	54.00	....	Inter. Utilities $3.50 pfd.	56.00	59.00
Allens Toronto Units	36.00	....	Lambton Loan & Inv. $50.	45.00	....
Anglo Can. Telephone A	9.75	10.75	Loblaw Groc. Inc.	13.50	14.50
Atlas Steels common	39.00	40.50	London & West. Trust $100	51.00	....
Atlas Steels 1st pfd.	106.00	108.50	Manufacturers Life Ins.	255.00	270.00
British Mortgage and Trust	138.00	....	Midland Loan & Svgs. $10.	14.00	17.00
B. C. Sugar	85.00	88.50	Monarch Life Assce. 20%	48.00	....
Canada Machinery com.	8.00	9.50	Monarch Mtge. units	2.25	3.25
Canada Paving 1st pfd.	3.50	5.00	Montreal Island Power pfd.	38.00	42.00
Canadian Airways	3.50	4.25	Montreal Trust Co.	71.00	....
Canadian Fairbanks com.	27.00	....	Morrison Brass new com.	3.00	4.50
Can. Ingersoll Rand	63.00	65.00	National Drug & Chem. c.	4.50	5.50
Can. Investors Corp.	7.00	8.00	National Hosiery pfd.	3.50	4.50
Canadian Motor Lamp A	8.25	9.50	National Hosiery com.	2.00	....
Can. Western Lumber com.	1.80	2.10	New Brunswick Tele.	12.00	15.00
Can. West. Nat. Gas pfd.	106.00	....	Ont. Tobacco Plant units	18.00	22.00
Capital Trust Co. $100 par	44.00	....	Paramount Kitchener units	53.50	....
Capital Wire Cloth com.	6.00	8.50	Premier Trust Co. $100	54.00	58.00
Capital Wire Cloth pfd.	21.50	....	Provincial Bank of Canada	11.50	12.50
Cawthra Apts. units	3.50	5.50	Provincial Paper pfd.	107.00	109.00
Chase, A. W., units	27.00	....	Prudential Trust	3.00	5.00
Colonial Steamships com.	78.00	82.00	Ruddy, E. L., pfd.	104.50	....
Commercial Finance com.	8.00	....	St. John Ddrydock pfd.	98.50	102.00
Commercial Life 10% paid	7.00	9.00	Sawyer Massey com.	1.10	....
Commonwealth Inter. Corp.	3.18	3.50	Seiberling Rubber com.	4.00	....
Confederation Life Assoc.	130.00	145.00	Sincennes McNaughton T.	2.00	2.75
Continental Life 20% pref.	31.00	35.00	Sherbrooke Trust	130.00	....
Crown Trust Co.	62.00	....	Sovereign Life Assce. 25%	28.50	30.00
Detroit International Bridge	12.50	15.00	Standard Fuel pfd.	91.00	95.00
Dover Industries Ltd.	7.75	8.75	Standard Fuel com.	2.00	....
Dunlop Tire pfd.	26.00	27.50	Sterling Trust	82.00	....
Eastern Steel Prod. pfd.	22.00	23.50	Sun Life Assce.	400.00	....
Empire Life Ins. 25% paid	14.50	16.50	Third Can. Gen. Inv.	3.15	4.00
Federal Foundries & Steel Co. new common	2.65	....	Toronto Carpet pfd.	90.00	....
			Toronto General Ins.	5.50	7.00
Foreign Power Sec. pfd.	17.00	18.00	Trusts & Guarantee $100	58.00	....
Galt Brass comm.	17.00	....	United Farmers Co-op	3.00	4.00
Goderich Elevator & Trans.	13.25	14.75	United Steel A pfd.	25.75	26.75
Great Lakes Power pfd.	114.50	117.00	Victoria Trust & Svgs.	92.00	....
Great West Life	285.00	305.00	Waterloo Mfg. com.	6.50	7.25
Guardian Realty pfd.	25.00	30.00	Wentworth Radio com.	1.35	....
Guaranty Co. of N. A.	200.00	....	Western Assurance com.	53.00	....
Guelph and Ont. Svgs. $50	51.00	55.00	Western Grain com.	.60	1.00
Gurney Foundry pfd.	2.35	3.00	Western Grain pfd.	32.00	35.00
Hart Battery com.	6.00	8.00	York Trading com.	5.25	6.75

Unlisted Mines

Approximate quotations, 4 p.m., Feb. 20, subject to confirmation:

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 7	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	136.2	118.3	178.5	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1944: Monthly Figures:												
Jan.	108.7	111.2	94.6	75.0	119.7	89.8	142.3	86.1	94.8	78.3	99.4	81.8
Feb.	108.7	114.8	96.1	74.0	122.4	93.1	141.4	88.5	97.3	79.1	102.7	82.9
Mar.	108.9	116.9	97.6	72.2	121.5	93.8	152.8	88.4	95.1	79.3	100.4	84.5
Apr.	106.6	109.0	86.5	70.0	118.3	93.0	149.2	87.3	92.0	78.4	97.0	79.3
May	107.0	112.3	96.4	70.4	118.8	92.8	152.1	86.8	91.2	78.0	97.5	79.9
June	113.0	118.5	97.3	73.4	122.5	94.6	150.9	93.3	95.6	78.1	102.0	83.7
July	116.2	134.0	100.3	76.6	125.2	101.2	154.3	98.9	93.9	78.2	104.3	87.5
Aug.	117.3	135.2	100.7	74.6	127.3	103.2	154.5	97.2	92.9	85.6	101.5	86.8
Sept.	114.4	129.6	102.1	72.9	127.9	102.4	150.9	95.3	89.9	87.1	98.1	85.0
Oct.	116.6	136.0	101.0	72.8	129.4	101.1	156.3	96.8	89.6	86.7	100.0	86.3
Nov.	116.7	137.5	101.9	72.9	130.7	101.4	166.7	97.3	91.8	86.6	100.5	86.0
Dec.	119.0	146.3	109.6	73.1	134.1	104.2	168.0	98.6	96.0	88.1	105.4	86.9
1945: Weekly Figures:												
Jan. 4	121.3	150.2	109.9	73.7	133.8	106.6	175.5	102.7	99.8	88.3	108.7	89.1
Jan. 11	123.2	152.0	110.5	74.5	136.0	104.1	178.5	103.2	101.6	89.8	110.3	90.3
Jan. 18	121.3	152.1	107.8	75.1	136.2	104.8	176.1	102.9	100.0	91.1	108.8	89.8
Jan. 25	119.3	149.2	108.4	74.9	136.0	106.6	174.2	102.1	98.7	90.8	106.6	88.8
Feb. 1	118.3	145.5	106.8	75.9	135.3	106.8	173.0	101.0	96.6	90.1	104.0	88.8
Feb. 3	121.0	150.4	104.5	76.8	135.8	107.0	183.6	101.7	98.0	89.4	106.3	90.3
Feb. 10	121.8	153.1	108.7	77.0	135.7	106.1	186.5	102.8	98.5	89.5	111.8	92.2

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 20	137.96	119.87	76.17	29.36
Feb. 19	137.00	120.36	76.12	29.71
Feb. 17	136.81	120.67	75.96	29.52
Feb. 16	136.76	120.50	76.20	29.15
Feb. 15	136.70	120.71	75.93	28.93
Feb. 14	136.22	120.52	76.10	28.82
Month ago	133.35	112.85	73.02	27.23
Year ago	119.48	103.67	68.43	28.39
High 1945	137.96	120.71	76.20	29.71
Low 1945	131.90	107.98	72.49	26.38

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Feb. 20	60.4	96.4	84.4	198.43	87.91
Feb. 19	60.1	96.2	84.2	200.43	88.78
Feb. 17	59.6	95.9	83.8	197.21	89.44
Feb. 16	59.6	95.4	83.4	195.66	89.27
Feb. 15	59.5	94.8	83.1	193.42	89.12
Feb. 14	59.4	94.7	83.0	192.68	88.78
Month ago	59.6	94.0	92.5	187.56	81.23
Year ago	54.9	77.6	70.0	137.21	74.91
High 1945	60.6	96.4	84.4	200.43	89.63
Low 1945	58.8	92.5	81.3	178.99	78.13

Wheat Prices

Winnipeg Grain Futures

Week of Feb. 20, 1945

Crop year from Aug. 1, 1944 High	Low		High for week	Low for week	Close Feb. 20
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
1.30⅞	1.10	May	1.30⅞	1.27¾	1.29¾
1.25¼	1.01⅝	July	1.25¼	1.21⅝	1.23⅝
1.16⅞	1.04⅞	Oct.	1.15⅝	1.12⅝	1.14¼

*At ceiling.

Cash Quotations

For Week

	Feb. 20 High	Feb. 20 Low	Prev. Week High	Prev. Week Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	1.28½	1.26½	1.26	1.21

*At ceiling prices.

STOCKS NOT TRADED THIS WEEK

Mining Stocks

	Div. rate	Last sale	Feb. 20 Bid	Ask
McGillivray C.	...	.23	..	.23
McVittie Graham	...	.23	..	..
Mentor Explor.	...	.60	.30	..
Moffatt Hall	...	.08	..	..
Reeves McDonald	...	.24	.23	..
Rice Lake	...	.00½	.00½	.02
Sudbury Basin	...	4.35	..	..
Sunlock	...	.15	.15	.25
Wendigo	...	.30	..	..
Whitewater	...	.04	.03½	.04

Oil Stocks

	Div. rate	Last sale	Feb. 20 Bid	Ask
Brown Oil	...	.11	..	..
Commoil	...	.24	.22½	..
Grease Creek	...	.02½	.01	..
MacLeod	...	.12	.12	.14
Madison	...	.02	..	..
Mercury	...	.07½	.07	.07½
Mill City	...	.09	.08	..
National Petrol.	...	.12	.10	.14
Royal Canadian	...	.04½	.04½	.05
Spooner	...	.18	..	..
Sunset	...	.07	.07	..
Texas Can.	...	1.30	1.30	..
Trans. Alta.	...	.12	..	..
Vanalta	...	.11½	.10½	.11½

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.22	$11.35	$11.70
Hogs	17.50	17.40	17.10
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	104.7	104.7	103.1
Dow Jones (fut.)	95.87	96.67	89.24
Fishers	114.3	114.3	112.4
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	118.6	118.5	119.0
W'sale (Jan.)	102.4	102.4	102.4
U. S. (Nov.)	104.0	104.1	102.9
Gr. Brit. (Oct.)	166.7	167.1	162.5

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic. New York. No. 7 coffee, Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 20, 1945

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	.59	69	72	68
†Assoc. Tel. & T.	5½	'55	109	111	109
B. C. Power	4½	.60	102	105	102
B. C. Tel.	4½	'61	107	110½	107
†Calgary Pwr.	5	'60	114	117	114
Do.	5	'64	105	...	105
†Can. Nor. Pwr.	5	'53	111½	113½	111
Gatineau Pr. A	3½	'69	115½	117½	114½
♦Do., B	3½	'69	104½	106½	104½
Gt. Lakes Pwr.	4½	'56	103	105	103
Do.	5	'57	102½	104½	102½
*Int. Hydro-El.	6	'44	94½	97½	90½
L. St. Law. Pr.	5	'55	101	104½	101
Macl'n Que. Pr.	4	'59	102½	104½	102½
Mtl. L. H. & Pr.	3½	'56	101½	104	101
Do.	3½	'73	100	103	100
Do.	3½	'63	100½	103½	100½
†Mtl. Tramways	5	'51	107	110	106
†Do.	5	'55	99	102	99
Nat. Lt. & Pwr.	4½	'61	97	100	97
N. S. Lt. Pr.	4	'57	102½	105½	102½
Otta. L. H. & P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'59	102½	...	102½
†Power Corp.	4½	'59	111½	113½	112
Quebec Pwr.	4	'62	102½	104½	102½
*Sag. P. "A" a	4½	'66	114	...	114
♦Do., B	4½	'66	104	106½	104
St. Maurice Pr.	3½	'70	100	102½	...
Shaw. W. & Pr.	4	'61	103	105½	103
†Do.	3½	'70	99	101½	...
Do.	4	'69	104	106	104
Union Gas	4½	'50	101½	103½	101½
†United Secs.	3	'52	97	...	97
†Wpg. El. Ser. A	5	'65	100	102½	100
Do., B	5	'65	101	103½	101
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	114	116½	110½
Do., C.O.D.	5	'53	114	116½	110½
Acadia Sugar	4½	'55	101	104	101
Do.	6	'54	102½	...	102½
†Alta. Pa. Grain	6	'46	104	...	104
Algoma Steel	5	'48	102	105	102
Atlantic Sugar	4	'51	101½	...	101½
†B. C. Pulp & P.	6	'50	104½	...	104½
‡†Do.	7	'50	111	...	110½
*Brown Co.	5	'59	102½	105½	97
Burns & Co.	5	'58	100	103	100
Canada Cement	4½	'51	102	104	102
Canada Electric	4½	'65	101	...	101
Can. Steamship	3½	'57	98	101	103
*Can. Int. Paper	6	'49	113½	...	113
‡Can. Locomot.	6	'53	104½	...	104½
‡†Candn. Vickers	6	'47	101	103½	101
C.P.R.	3½	'51	103½	105½	103½
Do.	4	'49	105½	107½	105½
†Consol Paper	5½	'61	106	108	106
Dom. Coal	4½	'52	101	104	101
Dom. Scott. Inv.	4	'52	101½	...	101½
Dom. Stl. & C.	6½	'55	107½	109½	107½
Dom. Woollens	5	[illegible]	96	99	96
†Donnacona Pap.	4½	'56	103	105	103

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Acadia Sugar	4½%	1955	Apr. 1	101½
Atlantic Sugar	4%	1951	Mar. 1	102
Can. Steamship	5%	1957	Mar. 15	103
N. S. Lt. & Pwr.	4%	1957	Mar. 1	103¼
Rio de Janeiro Tr.	5%	1958	Apr. 1	Par
Shawinig. W. & P.	4½%	1970	Feb. 26	102½

‡$100,500. ▲$236,000. *£100,000. †55,000.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.53	4.96
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.05	4.45
Can. Investors	7.00	8.00
Commonwealth Int.	3.19	3.51
Corporate Inv.	7.30	7.85
Trans-Canada (A)	11.20	....
Do. (B)	....	11.00

Corporation Bonds Cont'd

	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
*Dryden Pap.	6	'49	106½	...	106½
Famous Players	4½	'51	102	104	102
†Federal Grain	6	'49	106	...	106
*Great L. Paper	5	'55	109	111	108½
Gurney Fdry.	5½	'49	101	...	101
†Gypsum Lime	5½	'48	107	109	107
Ham. Cotton	3	'44-43	100	...	100
Inter-City Bak.	5½	'48	101	...	101
Indust. Accept.	4	'52	101	...	101
Ins. Ex. Bldg.	3	'51	65	69	64
*Inter. P. Nfld. (Bowater's P&P)	5	'68	109	112	109
*Inv. Bond & Sh.	5	'47	86½	89½	86
Lake St. J. P.	5½	'61	102½	105	102
Do.	5	'61	97½	99½	97½
Legare	6	'61	100	...	100
Maple L. M.	5½	'58	101	103	101
Man. Sugar	5	'60	107	...	107
Massey-Harris	4½	'54	102½	104½	102½
McColl-Fron.	4½	'49	102½	104½	102½
McCormicks	4	'52	101½	103½	101½
Do.	4½	'52	101½	...	101½
Mercury Mills	5	'59	100½	103	100½
Mersey Paper	5	'57	100½	...	100½
†Do.	6	'49	100½	...	100½
*M. & O. Paper	5	'60	114½	...	114½
Moirs Ltd.	6	'53	100½	...	100½
‡Mtrl. Drydocks	6	'48	97	99½	97
Montreal Apts.	4	'54	85½	89	85
N. S. Stl. Coal	3½	'63	91½	93½	91½
Price Bros.	5	'57	103	106	103½
*Prov. Paper	5½	'47	110	...	110
Reliance Grain	4½	'52	100½	...	100
Rolland Paper	4½	'51	101½	...	101½
Silv. Dairies	6	'66	101	103	101
Simpsons, Ltd.	3½	'60	100½	103	100½
United Corp.	4	'58	100½	103	100½
United Gr. Grs.	4½	'58	101	103½	101
†Western Grain	5	'63	86½	89½	86½

* Payable in Can. or U. S.
† Payable in Can., U. S. or U. K.
° Payable in U. S.
♦ Payable in Canada only.
‡ Traded without accrued interest.
▲ Payable in Can. or U. K.

New Refunding By Shawinigan

From Our Own Correspondent

MONTREAL—A refunding issue of $9,164,000 of first mortgage and collateral trust sinking fund 25-year 3½% bonds, series "J," of the Shawinigan Water & Power Co. has been offered to the Canadian public by a syndicate headed by Dominion Securities Corp., Ltd., at 100 and accrued interest.

Proceeds of this issue will provide part of the funds for redemption on April 1 of Shawinigan's $34,164,000 series A 4½% bonds, payable in Canada, New York and London.

Balance of funds needed is being obtained through sale to 18 institutions in N. Y. of $25,000,000 of 3½% 25-year refunding bonds at 101 and accrued interest through an underwriting group headed by Dominion Securities Corp.

The present refunding operation is a further step in repatriation of the company's debt in the United States. In January the company called for redemption $18,761,000 series D 4½% bonds, which were payable in U. S. currency, and issued a like amount of series H 3½% bonds, payable in Canada only. These refunding operations have resulted in the company's reducing interest rate to 3½% from 4⅛% on $52,925,000 of its funded debt, and placing more than half of this amount on a basis of payments in Canada only.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS
OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issue:	Date Issued	—Sold To—	Rate	Due	Amount	Price	Yield
Shawinigan Water & Pwr.	Feb. 20	Dominion Secs. & Synd.	3½%	Feb. 1, '70	$9,164,000	100.00	.....

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surpass c.	.50	Mar. 1	Jan. 30
Do., 7% pr.	1.75	Apr. 2	Feb. 28
Aluminium c.	2.00	Mar. 5	Feb. 9
Do., 6% pr.	†1.50	Mar. 1	Feb. 7
Anglo-Can. Tel. A	.15	Mar. 1	Feb. 9
Aunor Gold	.05	Mar. 1	Feb. 9
Bank of Montreal	.15	Mar. 1	Jan. 31
Bk. Can. Nat.	.15	Mar. 1	Feb. 15
Bank of Toronto	.25	Mar. 1	Feb. 15
Barber-Ellis	.12½&.12½	Mar. 15	Feb. 28
Bathurst Pr. & Pap.	■.25	Mar. 1	Jan. 31
Belding-Corticelli	1.00	Apr. 2	Feb. 28
Do., extra	2.00	Mar. 1	Jan. 31
Do., 7% pref.	1.75	Apr. 2	Feb. 28
Borden Co.	†.40	Mar. 2	Feb. 15
Bright & Co. 6% p.	1.50	Mar. 15	Feb. 28
Br. Amer. Bk. Note	.20	Mar. 15	Feb. 15
Bruck S. Mills	■.10	Mar. 15	Feb. 15
Calg. & Edmonton	.05	Apr. 16	Mar. 10
C. Bakeries, 5% p.	1.25	Mar. 1	Jan. 31
C. Bread 5% pr. B	.62½	Apr. 2	Mar. 10
Do., 6% pr.	1.50	Apr. 2	Mar. 10
C. Celanese Rights	1.00	Mar. 15	Dec. 12
C. Cement 6½% p.	1.25	Mar. 20	Feb. 23
C. Crushed Stone	.10	Mar. 20	Mar. 1
C. Dry Gin. Ale, c.	†.25	Apr. 1	Mar. 15
Do., pref.	†.76	Apr. 1	Mar. 15
Can. Food Prod.	.62½	Apr. 1	Feb. 28
Can. Foundries A	.37½	Mar. 15	Mar. 1
C. I. Invest. 5% pr.	2.50	Mar. 1	Feb. 1
Can. Packers A p.	.75	Apr. 2	Mar. 1
Do., B pf.	.25	Apr. 2	Mar. 1
C. Perman. Mtge.	2.00	Apr. 2	Mar. 15
Can. Converters	.75	Apr. 30	Mar. 15
Can. Indus., A & B	1.25	Apr. 30	Mar. 29
Do., 7% pf.	1.75	Apr. 14	Mar. 15
C. Pacific Rly. ord.	.75	Mar. 31	Mar. 1
Can. Tire	.20	Mar. 1	Feb. 20
Can. Breweries pr.	.65	Apr. 2	Feb. 15
Can. Vinegars	.15	Mar. 1	Feb. 15
Can. Locomotive	1.00	Mar. 1	Feb. 15
Can. North. Pwr. c.	■.15	Apr. 25	Mar. 20
Do., 7% pr.	■1.75	Apr. 16	Mar. 20
C. Wire & Cable A	1.00	Mar. 15	Feb. 28
Do., B	.25	Mar. 15	Feb. 28
Do., 6½ pr.	1.62½	Mar. 15	Feb. 28
Can. Wire Boxes A	.37½	Apr. 2	Mar. 10
Capital Trust	2.00	Mar. 1	Dec. 31
Chart. T. & Ex.	1.00&1.00	Apr. 2	Mar. 15
Circle Bar Knit.	.15&.05	Mar. 1	Feb. 15
Commoil	.00½	Feb. 26	Feb. 10
Consumers Glass	.50	Feb. 28	Jan. 26
Consol. Bakeries	.20	Apr. 2	Mar. 5
Consol. Press "A"	.15	Apr. 1	Mar. 15
Corr. P. Box 7% p.	1.75	Mar. 1	Feb. 1
Dairy Corp.	1.25&1.25	Apr. 1	Mar. 1
Dist. Corp.-Seagrams, c.	.55½	Mar. 15	Mar. 1
Do., 5% pr.	†1.25	May 1	Apr. 14
Dome Mines	.30	Apr. 30	Mar. 29
Dom. & Anglo. Invest. 5% pr.	1.25	Mar. 1	Feb. 15
Dom. Envel. 7% pr.	.87½	Mar. 1	Feb. 20
Dom. Malting	.20	May 1	Mar. 31
Do.	.20	Aug. 1	June 30
Dom. Scot. Invests 5% pf.	.50	Mar. 1	Feb. 1
Dominion Stores	.15	Mar. 20	Feb. 24
Donnacona Pap.	.25	Mar. 1	Jan. 15
East. Steel	.25	Mar. 1	Feb. 15
Eng. Electric "A"	.25	Mar. 15	Feb. 28
Federal Fire Ins. c.	1.50	Aug. 15	Aug. 11
Ford Motor, A & B	.25	Mar. 17	Feb. 24
G. W. Sadd. 6% 1 pr.	.75	Mar. 31	Feb. 28
Do., 6% 2 pr.	.75	Mar. 31	Feb. 28
Hallnor Mines	.05	Mar. 1	Feb. 9
Hamilton Cotton	.22½	Mar. 1	Feb. 9
Hudson B. M. & S.	.50	Mar. 12	Feb. 9
Imp. Tob. c.	.10&.15	Mar. 31	Feb. 13
Do., 6% pr.	3%	Mar. 31	Feb. 13
Imp. Varnish	.15	Mar. 1	Feb. 17
Do., pr.	.37½	Mar. 1	Feb. 17
Ind. Acceptance p.	1.25	Mar. 31	Mar. 1
Inspiration Min.	*.02	Mar. 3	Jan. 31
Intnl. Bronze c.	■.20	Apr. 15	Mar. 15
Do., 6% pr.	■.37½	Apr. 15	Mar. 15
Intnl. Nickel c.	†.40	Mar. 31	Mar. 1
Intn'l Utilities	†.37½	Mar. 1	Feb. 16
Inv. Found. 6% pr.	.75	Apr. 16	Mar. 15
Kerr-Addison Gold	.05	Feb. 28	Feb. 6
Lake of Woods c.	.30	Mar. 1	Feb. 3
Do., 7% pr.	1.75	Mar. 1	Feb. 3
Lake Shore Mines	.20	Mar. 15	Feb. 15
Laura Secord	.20	Mar. 1	Feb. 1
Loblaw "A" & "B"	.25	Mar. 1	Feb. 6
Loblaw Grocet's	†.20	Mar. 1	Feb. 9
Macassa Mines	.03	Mar. 15	Feb. 19
MacLaren P. & P. c.	.25	Feb. 28	Feb. 10
5% pr.	1.25	Mar. 15	Feb. 28
Maritime Trust	3%	Mar. 1	Jan. 1
McIntyre Porc.	.55½	Mar. 1	Feb. 1
J. S. Mitchell, c.	2.50	Mar. 1	Feb. 8
Monarch Knit, pr.	7.00	Mar. 15	Feb. 24
Mtl. Cottons, c.	1.00	Mar. 1	Feb. 15
Do., 7% pr.	1.75	Mar. 1	Feb. 15
Mtl. Loan & Mt. c.	.31½	Mar. 15	Feb. 28
Nat. Biscuit, c.	†.30	Apr. 14	Mar. 9
Do., 7% pr.	†1.75	Feb. 28	Feb. 9
Nat. Grocers, c.	.37½	Apr. 2	Feb. 28
Noranda Mines	1.00	Mar. 15	Feb. 15
N. S. L. & Pr. 6% p.	1.50	Mar. 1	Feb. 14
N. W. Utilities, pr.	1.50	Mar. 1	Feb. 23
Ogilvie Flour	.25	Apr. 2	Jan. 26
Do., 7% pr.	1.75	Mar. 1	Jan. 26
Ont. Steel	.25	May 15	Apr. 15
Do., 7% pfd.	1.75	May 15	Apr. 15
Ottawa Lt. H. & P.	.15	Apr. 1	Feb. 14
Do., 5% pfd.	1.25	Apr. 1	Feb. 14
Ottawa Car	.25	Apr. 2	Mar. 1
Do.	.25	Oct. 1	Sept. 1
Paton Mfg. Co.	1.00	Mar. 15	Feb. 28
Do., 7% pr.	1.75	Mar. 15	Feb. 28
Perron Gold	.02	Mar. 31	Feb. 28
Photo Engravers	.50	Mar. 1	Feb. 15
Power Corp. 6% p.	■1.50	Apr. 16	Mar. 20
Do., 6% 2 p. pr.	■.75	Apr. 16	Mar. 20
Pressed Metals	†.25	Mar. 1	Feb. 1
Proprietary Mines	.05	Mar. 8	Feb. 6
Provincial Trans.	.20	Feb. 27	Feb. 9
Purdy Mica	*.03	Mar. 3	Jan. 31
Purity Flour M. pr.	.62½	Mar. 1	Feb. 17
Quebec Power	.25	Feb. 26	Jan. 25
Regent Knit Mills	.25	Mar. 1	Feb. 6
Do., $1.60 pr.	.40	Mar. 1	Feb. 6
Do.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 1	Nov. 1
Reliance Grain, pr.	1.62½	Mar. 15	Feb. 28
Remington Rand	†.30	Apr. 2	Mar. 9
Royal Bank	.15	Mar. 1	Jan. 21
Do., pfd.	1.50	Mar. 1	Feb. 15
Sarnia Bridge	.25	Mar. 15	Mar. 1
Scythes & Co.	.25	Mar. 1	Feb. 19
Do., 7% pr.	.28½	Mar. 15	Feb. 19
Shawinigan Pwr.	.23	Feb. 26	Jan. 18
Silverwood Dairies	.20	Apr. 2	Jan. 31
Do., pr.	.20	Apr. 2	Jan. 31
Simpsons	.75	Mar. 15	Jan. 4
South Can. Power	■.20	May 15	Apr. 20
Do., 6% pr.	■1.50	Apr. 16	Mar. 20
Standard Chem.	.50	Mar. 1	Jan. 31
Stuart Oil pfd.	.20	Mar. 1	Feb. 15
Sylvanite Gold	.03	Apr. 2	Feb. 7
Toronto El. 5½% p.	.65	Mar. 7	Feb. 24
Tuckett To. 7% pf.	1.75	Apr. 14	Mar. 30
T. City Rap. 7% p.	†1.75	Mar. 30	Mar. 1
Waite Amulet	.20	Mar. 10	Feb. 9
Walk.-Good. & W.	1.00	Mar. 15	Jan. 16
Wellington Fire c.	1.75	Aug. 15	Aug. 11
G. Weston 4½% pr.	1.12½	Mar. 1	Feb. 15
Do., pf.	.25	Mar. 15	Feb. 16
Woods Mfg., c.	.50	Mar. 31	Feb. 28
Wright-Hargreaves	.05	Apr. 2	Feb. 23

■ Subject to approval of Foreign Exchange Control Board.
† N. Y. funds.
* Net after corporate income tax.

Company Meetings

1945	Company	Place
Feb. 21	Maple Leaf Gardens	Toronto
Feb. 21	Shawinigan W. & P.	Montreal
Feb. 22	Bell Telephone Co.	Montreal
Feb. 26	Candn. Converters	Montreal
Feb. 26	Bruck Silk Mills Ltd.	Montreal
Feb. 26	Caldwell Linen Mills	Iroquois
Feb. 28	Dominion Bridge	Montreal
Mar. 7	Montreal L. & Mtge.	Montreal
Mar. 12	Toronto Mut. Life Ins.	Toronto
Mar. 16	Mercantile Insurance	Toronto
Mar. 20	Imperial Tobacco	Montreal
Mar. 28	Can. North West Land	Toronto
Apr. 25	Asbestos Corporation	Montreal
Apr. 25	Canadian Breweries	Toronto
Apr. 25	Western Grocers	Winnipeg

Municipal Bonds

Feb. 20, 1945

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	120.00	123.00	3.20
Hamilton	5	1950	109.00	112.00	2.57
Montreal	3	1950	98.00	101.00	2.81
Ottawa	3	1953	101.25	103.75	2.50
†Quebec	5	1959	119.00	122.00	3.09
Saint John	5	1950	107.00	110.00	3.15
†Toronto	4½	1955	123.25	126.25	1.64
†Vancouver	5	1970	121.50	124.50	3.51
Winnipeg	6	1950	111.00	114.00	3.16

†Payable Canada and New York.

DIVIDEND NOTICES

BRITISH COLUMBIA PACKERS LIMITED

NOTICE is hereby given that the Directors of British Columbia Packers Limited have declared a dividend of 75 cents per share, payable on March 15th, 1945, to shareholders of record at the close of business on February 28th, 1945.

NOTICE is hereby also given that the Company's Register of Transfers maintained at the office of The London & Western Trusts Company Limited in the City of Vancouver, B.C., and the Company's branch Registers of Transfers maintained respectively at the office of The London & Western Trusts Company Limited in the City of Toronto and at the office of Chartered Trust and Executor Company in the City of Montreal will be closed from and including the 1st day of March to and including the 7th day of March, 1945.

DATED at Vancouver, B.C., this 20th day of February, 1945.

By Order of the Board,
A. HAMILTON,
Secretary.

DIVIDEND NOTICES

The Bank of Toronto

DIVIDEND NO. 254

Notice is hereby given that a **Dividend of Twenty-five Cents** per share on the Paid-up Capital Stock of this Bank has been declared for the current quarter, payable at the Head Office of the Bank and its Branches on and after the first day of March next to shareholders of record at the close of business on February 15th, 1945.

By Order of the Board.
B. S. VANSTONE,
General Manager.

DIVIDEND NOTICE

English Electric Company of Canada, Limited

CLASS "A" SHARES

Notice is hereby given that the Board of Directors have declared a dividend of twenty-five cents (25c) per share on the outstanding Class "A" shares of the Company, payable March 15th, 1945, to shareholders of record at the close of business on **February 28th, 1945.**

AUBREY MUNDY,
Secretary.

February 15th, 1945.

The Great West Saddlery Company Limited

6% Cumulative First Preference Stock ($50.00 Par Value)
6% Cumulative Second Preference Stock ($50.00 Par Value)

A dividend at the rate of six per cent (6%) per annum, being the accumulated dividend for the three months ending March 31st, 1945, on the First and Second Preference Stock, has been declared and authorized to be paid on March 31st, 1945, to all First and Second Preference Shareholders of record with the Transfer Agents of the Company at the close of business on February 28th, 1945.

By Order of the Board,
J. C. BROADFOOT,
Secretary.

Winnipeg, Man.,
February 14th, 1945.

Power Corporation of Canada, Limited

The Board of Directors has declared this day the following dividends.

6% First Cumulative Preferred Stock

No. 79, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock (Par value $50)

No. 71, quarterly, 75c per share. Payable April 16th, 1945, to shareholders of record at the close of business on March 20th, 1945.

L. C. HASKELL, F.C.I.S.,
Secretary.

Montreal, January 26th, 1945.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividends:

7% Cumulative Preferred Stock

No. 81, quarterly, $1.75 per share, payable April 16th, 1945.

No par value Common Stock

No. 63, quarterly, 15c per share, payable April 25th, 1945, to holders of record at the close of business on March 20th, 1945.

L. C. HASKELL, F.C.I.S.,
Secretary.

Montreal, January 23rd 1945.

FORD MOTOR COMPANY OF CANADA, LIMITED

DIVIDEND No. 69

The Board of Directors has declared a cash dividend of twenty-five cents ($.25) per share on all of the outstanding shares of the company payable on March 17, 1945, to shareholders of record at the close of business Feb. 24, 1945.

G. G. KEW,
Secretary.

Windsor, Ont.
Feb. 14, 1945.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held today a dividend of three per cent (seventy-five cents per share) on the Ordinary Capital Stock in respect of, and out of earnings for, the year 1944, was declared payable in Canadian funds on March 31, 1945, to Shareholders of record at 3 p.m. on March 1, 1945.

By order of the Board,
FREDERICK BRAMLEY,
Secretary.

Montreal, February 12, 1945.

MACASSA MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 30

Notice is hereby given that a dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company for the quarter ending March 31st, 1945, and will be payable in Canadian Funds on March 15th to shareholders of record February 19th, 1945.

By order of the Board.
L. SOLIAGUE,
Secretary.

Toronto, February 13th, 1945.

NOTICE

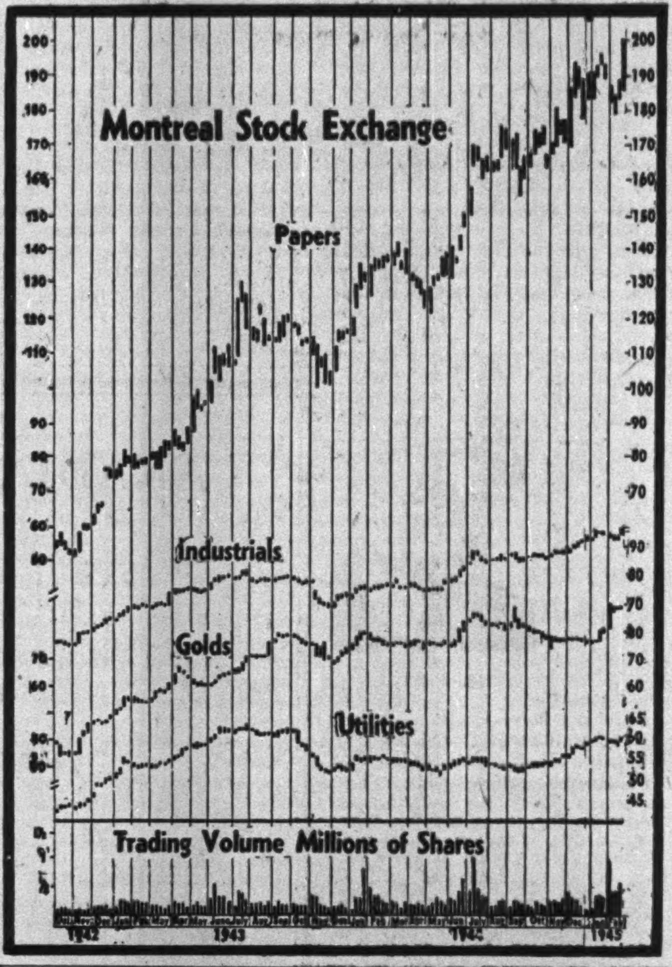
Imperial Tobacco Company of Canada, Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Ordinary General Meeting of the Shareholders of IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED, will be held at the Head Office of the Company, 3810 St. Antoine Street, Montreal, P.Q., on Tuesday, the 20th day of March, 1945, at ten-thirty o'clock in the forenoon.

DATED AT MONTREAL, CANADA, this 16th day of February, 1945.

By Order of the Board.
A. L. ROBERTSON,
Secretary.



DIVIDEND NOTICES

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being a dividend for the quarter ended February 28, 1945 is hereby declared and authorized to be paid on March 15, 1945 to all preference shareholders of record with the Transfer Agents of the Company at the close of business on February 28, 1945.

By order of the Board,
A. W. GIBB, Secretary.

Winnipeg, February 7, 1945.

Ottawa Car and Aircraft Limited

On February 14th, 1945, declared a dividend of twenty cents per share payable April 2nd, 1945, to shareholders of record March 1st, 1945, and a dividend of twenty-five cents per share payable October 1st, 1945, to shareholders of record September 1st, 1945.

G. L. SNELLING,
Secretary-Treasurer.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

MONDAY, THE SECOND DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March 1945.

By order of the Board.
Walter F. Watkins,
Secretary.

TORONTO,
February 14th, 1945.

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MARKET COMMENT

New Highs

Industrials, pulp and paper, and gold averages were swept up to their best levels in several years this week by a market that reached its greatest volume in seven years. Average daily turnover on the T.S.E. was almost 1.4 millions. An underlying factor in the increased sales activity was felt to be the optimistic note for the future that came out of the Big Three meeting at Yalta.

As the week progressed it was evident that strong buying power was returning again to certain, long-established, higher-priced issues, particularly in the industrials and papers groups. Reports persist of large scale buying in Canadian gold stocks by American interests.

• • •

The Wall Street Journal Abreast of The Market: Undoubtedly the war news and the agreements reached by the Big Three at Yalta inspired confidence which in turn brought a lot of investment buying into stocks. There was an increasing amount of trading, but in the main, the advance in stocks resulted from cash buying in securities, as has been the case for several years . . . The buoyancy and breadth of last week's stock market was accentuated by the growing demand for some of the "blue chips" . . . Often such buying was in stocks whose yields have become too small to attract investors who want income.

• • •

New Highs and Lows

During the week ending Feb. 19 there were 63 new highs recorded among the "general" stocks traded on Canadian stock exchanges and one new low for 1944 and 1945 to date. In the mining group there were 31 new highs and one new low registered in the week. Four new highs and no new lows were recorded by the oil stocks during the week.

GENERAL

New Highs—1944-45

Barker's Bread
Do., pref.
Bath. Power "A"
Biltmore Hats
Brewers & Distill.
Brown Co.
Do., pref.
Can. Forg. "B"
Can. Steamships
Can. W. & Cable A
Can. Breweries
Can. Celanese
Can. Cottons pref.
Can. Gen. Invests.
Can. Oil pref.
Can. Pac. Rlwy.
Can. Wallpaper B
Cassidy's
Catelli Food
Cons. Div. Sec. pf.
Cons. M. & Smelt.
Dom. Engineers
Dom. Malting pref.
Dom. Square
Dryden Paper
East. Theatres
Famous Players
Fanny Farmer
Fraser Cos.
Gurd, Chas., pref.
Gypsum Lime
Howard Smith P.
Lake of Woods, pf.
M. L. Gardens
M. L. Milling
McColl-Frontenac
Minn. & Ont. Pap.
Mod. Containers pf.
National Breweries
Do., pref.
National Trust
North Star Oil
Ottawa Car & Air.
Purity Flour p. old
River Silk Mills A
Rolland Paper
Do., pref.
Saguenay Pr. pref.
Sher. Wms.
Sicks Brew.
Simpsons A, new
Simpson's B, new
South. Can. Pwr.
St. Lawrence Flour
St. Lawrence P. pf.
Standard Chemical
Steel of Canada
Tooke Bros.
Toronto G. Trusts
West. Grocers pref.
West. Steel
Windsor Hotel
Zellers

New Lows—1944-45

Mackin. Steel

MINING

New Highs—1944-45

Ashley
Beaufor
Bobjo
Delnite
East Malartic
Federal
God's Lake
Golconda
Graham-Bosquet
Great Falls
Hallnor
Lamaque Gold
Leitch Gold
Louvicourt
Madsen Red Lake Mining Corp.
Moneta
Pacific Nickel
Pamour P.
Pickle Crow
Pioneer Gold
Preston East Dome
Sheep Creek
St. Anthony
Silbak Prem.
Springer Sturgeon
Stadacona
Tech-Hughes
Towagamac
Wasa Lake
Ymir Yankee Girl

New Lows—1944-45

New Bidlamaque

OILS

New Highs—1944-45

Anglo-Canadian
Foothills
Home Oil
Homestead

VICE-PRESIDENT

Allan L. Thompson, appointed a vice-president of James Fisher Co., advertising.

Managed Investment

Liquidation Continued By Compton's Manager

The Financial Post assumes no responsibility for the specific buy and sell recommendations reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not, and should not, be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

The Financial Post publishes another operation of the hypothetical Compton account which is being managed under conditions outlined previously in The Post.

The policy of simplifying Compton's account through liquidating a number of stocks and replacing them with Victory bonds and at the same time placing the account in a stronger position marketwise has been continued by Compton's manager, who indicates that he will be prepared to take advantage of any substantial market recession by switching back from bonds to stocks.

The Compton Fund Transactions

In accordance with decisions filed with The Financial Post on Dec. 15, 1944, the following transactions were completed during the period from Jan. 26 to Feb. 15, 1945.

SOLD:

No. of Shares	Security	Sales Price $	*Proceeds $	Income $
5	C. P. R., com.	13.75	67.65	5.00
10	St. Lawr. Corp.‡	20.50		
10	St. Lawr. Corp.‡	20.75	510.75	25.00
5	St. Lawr. Corp.‡	21.00		
5	Ford of Can., A	26.25	129.55	5.00
	TOTAL		707.95	35.00

*After brokerage and taxes.
‡St. Lawr. Corp. B pref.

PURCHASED:

Security	Cost Price $	Gross Cost $	Income $
$700 Canada 3% bond, 1957/60	100.50	707.69†	21.00

†Includes accrued interest of $4.19.

Profit on sales $20.45
Indicated income decreased $14.00

Compton's Manager Says:

The selling orders represent a continuation of the policy outlined previously of simplifying Compton's portfolio, of making it less vulnerable to market depreciation and more liquid so that Compton will be in a position with his present holding of 3% bonds to pick up bargains in sound stocks if the market should fall materially.

Proceeds of sales are placed into government bonds because we feel that they are almost as liquid as cash and we do not see why Compton should not earn 3% with his idle funds instead of 1½%.

On Feb. 15, 1945, you hold investments in 14 companies as compared with 25 companies in Dec. 15, 1944. The yield on your original investment of $10,000 is now 3.83% as compared with the original yield of 3.94%.

In the month to Feb. 15, 1945, dividends received amounted to $2 and, after deducting your monthly payment of $25, the cash in your account was decreased by $23.

The broad change in position of your account is shown by the following table:

	Book Value Feb. 15 $	Book Value Dec. 15 $
Bonds	5,622.14	......
Pref. stocks	226.50	925.00
Com. stocks	3,717.50	6,661.25
Mining stocks	785.00	1,750.00
Cash	13.02	663.75
Total	10,364.16	10,000,00

The Compton Fund Now Stands

No. of Shares	Security	Cost per sh.	Market per sh.
20	Dom. Stores, com.	12½	16
15	Simpsons, A, com.	13⅛	16
10	Can. & Dom. Sugar, c.	22	25
10	Silverwood's, com.	14	12
5	Can. Brew., $3.40 pf.	45	45
10	Walkers, com.	66	74
10	Dom. Bridge, com.	30	30
10	Montreal L., H. & P., com.	20	21¾
5	Consumers' Gas, com.	140	140
50	Cons. Paper, com.	8	9
20	Maple Leaf M., com.	8½	14¾
5	Goodyear, com.	95½	94
10	Noranda	56	51¾
100	Madsen Red Lake	2¼	2.65
	Bonds		
$4,900	Can., 3% 1956/59	100¾	100¾
$700	Can., 3% 1957/60	100½	100½
	Cash		$13.02
	Current Market Value		$10,770.63

Capital Trust Corp. reports an increase of $961,460 in the amount of money deposited by the general public in demand and term savings during 1944, rather than an increase of $329,654 as reported in error in last week's issue of The Financial Post.

Bradford is President Of Ontario Contractors

Officers for 1945 of the Ontario General Contractors Association were elected at the annual meeting in Toronto as follows:

W. J. BRADFORD, Bradford-Hoshal Ltd., Toronto, president.

H. J. BALL, Ball Bros. Ltd., Kitchener, honorary vice-pres.

NORMAN CLOKE, Cloke Construction Co., Toronto, 2nd vice-pres.

ROBERT W. JOHNSTONE, Anglin-Norcross Ontario Ltd., Toronto, honorary treasurer.

W. S. HANNAFORD, Dickie Construction Co., Toronto, honorary secretary.

ROBERT L. MORAN, Toronto, secretary-manager.

Directors added: H. H. GEORGE, Putherbough Construction Co., London; A. A. MOLLENHAUER, Mollenhauer Contracting Co., Toronto.

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WE regret that thousands of applicants have had to "line up" for telephone service. Telephone equipment has been critically short because this is a "communications" war. And of course the armed forces, the government and war industries still move automatically to the head of the line; their needs come first. Only as material becomes available for less urgent needs can we take care of our waiting list, and on a first-come-first-served basis.

We realize it's no fun having to "stand in line" this way. Applicants have been surprisingly cheerful about it—a fact we deeply appreciate. We just want them to know that we will be every bit as glad as they when we can once again meet every request for telephone service—fully and promptly.

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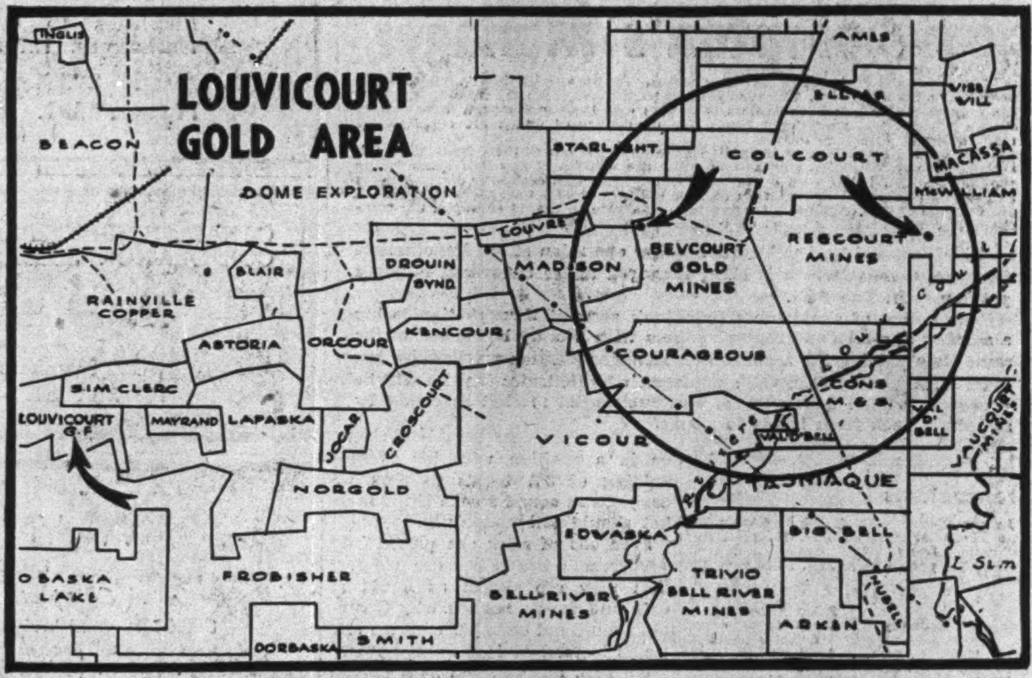
Rich Drill Intersections in Louvicourt Gold Camp Turn Spotlight on New Quebec Gold Mining Area

Thrust into the limelight by discoveries on three properties—Louvicourt Goldfield, Bevcourt and Regcourt—the Louvicourt gold area, immediately east of Quebec's Siscoe-Lamaque area, is momentarily at least attracting more interest than any comparable area of eastern Canada.

Already a half dozen new deals are reported signed up or under negotiation. And before many months are out, a score of further drills will likely be humming through the area.

Louvicourt Goldfield has been adding impressively to the fine drill intersections of previous months. Chances of eventual development of a profitable gold mine at this location have been greatly improved. Tonnage is now estimated at approximately 2,250 tons to the vertical foot of about a $7.50 grade.



Where Interest Lies

But aside from the impressive Louvicourt Goldfield show, drilling intersections secured at the Bevcourt and Regcourt properties, and indications of a mine at Obaska Lake and new work proposed at Vicour appear to take on the greatest interest.

The Bevcourt and Regcourt properties have returned three fine diamond drilling intersections—two for the Bevcourt, one for the Regcourt. And on the nearby Vicour and Madison properties, some of the best ore chances are reported not yet tested.

Geologically, chances are regarded as excellent for substantial mines both at Bevcourt and adjoining Regcourt. Their drill results are three miles apart. The drill holes appear indicative of mine-making chances generally in the area.

On an accompanying map is noted location of two drill holes, 500 ft. apart, which have returned the fine ore grade intersections at Bevcourt. The more westerly of these two holes gave $43.40 for one foot and $19.15 for 10.1 ft. The second hole, 500 ft. to the east, gave 12.4 ft. running $12.66 in a section of 37.5 ft. averaging $5.28, and further on, 4 ft. averaging $35.40.

These intersections were secured along the north contact of an apparently well-defined contact of a granodiorite mass. Where the intersections were secured, there appears to be a bending of the contact—a favorable condition for important ore deposition.

Outside the two holes, there has been no other drilling. The situation is "wide open" for drilling in between and testing of extensions. The drill has now been stepped back 500 ft. to the south and will drill a hole north to test a wide shear zone in which No. 2 hole was started. This No. 3 hole will finish below the collar of No. 2 hole. While the hole will test what appears to be an important shear, it will not continue far enough to intersect the zone cut in the two first holes.

Fourth Hole Tests Zone

After this third hole is completed, the drill will put down a hole above No. 2 hole which will test the zone containing ore values at a shallower horizon, providing information on strike and dip. The occurrence appears fairly vertical but the contact may turn northward on its extension east.

Ground is heavily drift covered and the south contact of the granodiorite has not yet been located. Thus the south contact represents further favorable ground for testing which has not yet been explored.

Bevcourt has approximately 1,250,000 shares issued including a million vendor shares. Authorized capital is three million shares. God's Lake, Nipissing, International Mining Corp. and an Ottawa group each have a 25% interest in the financing.

Location of the Regcourt find is also noted on the map.

Values for 200 ft. in Hole

Regcourt's No. 13 hole—three miles east of the Bevcourt No. 2 hole—returned $11.25 across 22 ft. Actually the gold values extended along a length of no less than 200 ft. of core. Hole No. 13 was located 200 ft. west of No. 12 which returned two isolated but interesting sections running $39.55 over 12 inches and $16.10 over 12 inches. No. 12 hole has now been deepened and it appears that the extension of the zone located in hole No. 13 has been secured. The zone, of course, is open to the west beyond hole No. 13.

The values have been secured along what appears to be the nose of a mass of granodiorite. There are important brecciated zones within the granodiorite. Only further work can show how great the extent of the favorable area is. The south contact remains to be determined and tested on this property also.

Regcourt has about 1.5 million shares out. God's Lake and Frobisher share bulk of the financing.

Many new deals are either in the making or have been completed as a result of the Bevcourt-Regcourt news. The Madison property immediately to the west of the Bevcourt showed interesting geology in previous testing and Buffalo Canadian has completed a financing deal on it.

To the north of Bevcourt, a deal is reported to have been consummated on the Colcourt ground. Colcourt which has only about 3,500 shares out, owns 500,000 Regcourt shares, 100,000 Bevcourt shares and has its interests in the Colcourt group and an outside gold find made by a prospecting party last season.

Altogether 18 drills are at work in the Louvicourt area. Included among those reported drilling are Obaska Lake, Val d'Oro, Frobisher, Lapaska, Dome Exploration, Orcourt, Croscourt, and Starlight.

A big program of work is understood to have been laid out for Vicour which demonstrated a considerable tonnage of ore in previous work and which has a number of surface showings which have never been tested.

Work is expected to get underway shortly on ground of Consolidated Smelters, Madison, Colcourt and Courageous.

Most of the area is heavily drift covered. This has unquestionably been an important factor in retarding development on an extensive scale until the present. But with the substantial encouragement secured at numerous properties in the area, heavy overburden is not likely to be a deterrent to thorough work in the future.

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Thirteen Is Lucky For Bob Jowsey

For many individuals, 13 is perhaps an unlucky number; Friday the 13th a day inauspicious for starting new enterprises.

But for one of Canada's best known mine-makers, R. J. "Bob" Jowsey, president of God's Lake Gold Mines, 13 is lucky and Friday the 13th is just about the luckiest day there is.

Discussing the new diamond drill find at Regcourt Gold Mines in which God's Lake has a 75% financing interest, Mr. Jowsey pointed out that the first rich intersection, reported elsewhere, was secured in hole No. 13. He waited 13 days for the assays and the discovery was made after 13 years of work in the Louvicourt area.

MR. JOWSEY

Regcourt, however, isn't the only case where 13 has linked up with the Jowsey fortunes. With two partners, Mr. Jowsey staked the famous Keeley silver mine on Friday Sept. 13, 1907. Twenty-five years later Mr. Jowsey staked God's Lake Gold Mines—on Friday, July 13, 1932.

Just as at Regcourt, it was the 13th drill hole at God's Lake Gold Mines which really "clicked."

While Mr. Jowsey didn't find the Sherritt Gordon Mine, he signed up the deal which led to the development of this property. The deal was signed on May 13, 1927.

Coniaurum Mines reports estimated profit, before write-offs, of $55,111 in the three months ended Dec. 31, 1944, compared with $61,765 in the similar period of 1943. Bullion production totalled $253,576 from 23,850 tons milled, an average recovery of $10.63 gold per ton in the final three months of 1944, as against $258,415 from 25,850 tons milled, an average of $10 in the final three months of 1943.

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Cochenour Willans Gold Mines reports bullion production of $94,736 from 8,836 tons treated, an average recovery of $17.96 gold per ton in the three months ended Dec. 31, 1944, compared with $111,070 from 10,205 tons treated, an average of $20.12 in the three months of Sept. 30, 1944, and $112,901 from 1[illegible],720 tons, an average of $18.60 in the three months ended June 30, 1944.

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OIL PRODUCTION

New Turner Completions Brighten Field Outlook

From Our Own Correspondent

CALGARY—Three more big wells are on production in the Turner Valley oil field. The wells' all somewhat better than average, have aroused new interest in the long time major, but now waning field. Each of the three new wells favorably affects portions of the field where a number of locations are still available for drilling.

Royalite No. 78, which completed drilling Feb. 6, last week joined the string of better than average producers which have been filling in from the south the one-time three-mile long strip of Turner Valley West Flank "condemned" two years ago by the mediocre Royalite-Lowery No. 1. Royalite 78 is in L.S.D. 14 2-20-3w5t, half a mile south of the Royalite-Lowery 1, which completed with only 30-35 bbls. daily after intensive acidizing, and is quarter of a mile north of Royalite No. 74, completed in 1944 with a yield after light acidizing of over 500 bbls. daily.

Royalite No. 78 showed a new oil yield of 7½ bbls. hourly, running with aid of booster gas, before acidization. After treatment with 1,000 gallons of acid, the well made new oil with aid of booster gas at 38 bbls. hourly. On Feb. 12 a 4,000 gallon acid treatment was applied to the upper porous. The well responded with a new oil yield of 60 bbls. hourly, running with the aid of booster gas. In the first test under its own power, the well yielded at a rate of 850 bbls. daily for an eight-hour run, with gas-oil ratio 1,250-1,300 cu. ft. per bbl. The well has gone on steady production without further acidization. Initial allotment will be set shortly. The well completed at 8,744 ft., 465 ft. in the Madison limestone.

* * *

Jumping Pound Test Starts

Shell Oil of Canada has staked location for its first "follow-up" test on the east Jumping Pound anticline, established as productive two months ago by Shell No. 4-24-J. The new well, Shell No. 10-14-J, has been staked near centre of L.S.D. 10 14-25-5w5. The site is now being graded, preliminary to installation of a heavy duty steam-powered rotary, now en route from California. Fuel gas will be supplied from the No. 4-24-J.

The new venture is down the west flank of the long, broad foothills anticline outlined by Seismograph, whose apparent crest was tapped by the Shell No. 4-24-J. The discovery well found the Madison at 9,618 ft., 5,598 ft. subsea, halted 329 ft. in at 9,947 ft. with 120 ft. of porosity showing to 9,847 ft. (5,827 ft. subsea).

While the Shell No. 4-24-J discovery is not a "commercial" producer (oil recovery being unlikely to return drill costs, and a market for the gas not being immediately available), there are good grounds for believing that—as in Turner Valley—the gas cap crest of the structure will be flanked by oil-bearing east and west flanks and north and south plunges. If such proves the case, a new large oil field may be opened up.

The new Shell Jumping Pound well is believed to be sufficiently far down the west flank of the structure to tap the oil pool, if such exists.

Donalda Mines has advised the Toronto Stock Exchange that the outstanding option on treasury shares under Mar. 2, 1944, agreement with E. M. Tice, has been assigned to Phillip Smith, Toronto.

Duomalartic Gets Interesting Find

Surface trenching the north central section of Duomalartic Gold Mines, about 75 ft. south of Canadian Malartic, has uncovered a mass of quartz carrying an appreciable amount of visible gold in green carbonates, Julius M. Cohen, consulting engineer, reports. Samples have been sent out for assay, some showing fine and medium coarse gold.

The find consists of a square and sharp cornered boulder weighing approximately 10 tons and believed to have moved no great distance from its original place. The opinion is expressed that the boulder was moved to its present position by glacial action, or was squeezed up through the overburden, just above the site of the vein, through frost action. A similar boulder discovery was made some years ago at the Lamaque property.

Headway Drill Shows Faulting

But Trouble Comes at Shallow Level and Hope High For Solution

While a faulting problem encountered in testing the main showing at Headway Red Lake Gold Mines is being worked out, it is possible that the drill will be moved temporarily to test either the north showing 500 ft. to the north or the east showing 200 ft. to the east, The Financial Post is informed.

At last report five shallow drill holes had been completed on the main showing and while an assay of $6.16 across 5 ft. was secured, there was definite evidence of faulting at a shallow horizon. Certain markers, dykes, etc., which would normally be encountered were not found in the drilling which did not go below 92 ft. in depth and there is stated to be no question but that faulting has taken place.

Shallow Faulting Helps

As the faulting has taken place at a very shallow horizon, it is not thought that it will prove difficult to work out and the services of a well-known geologist are being retained for this. While the geology of the faulting of the main zone is being worked out, it is thought that drill testing of other showings may be desirable. The north showing has been traced for a length of 300 ft. and channel assays from this ran $8.25, $8.40 and $11.30. Very little work was done on this and on the easterly show before as work was concentrated on the main surface showing which has been reported the best secured in years in the Red Lake area.

With from $90,000 to $95,000 provided the company for work, funds are on hand for a large program of diamond drilling if this is desired. Solving the faulting problem will not necessarily prove expensive, however, due to the shallow horizons at which faulting has taken place. It is possible that deeper holes to around 300 or 400 ft. will be put down on the main zone to find if the effect of the fault extends to that horizon.

Concentrates

Aubelle Mines advises that drill holes 41, 42 and 43 have cut No. 1 vein at various depths in the same plane to extend the vein a further 100 ft. east. Drilling has been carried for a length of 1,000 ft., at 100-ft. intervals, along No. 1 vein to indicate an average of $10 across an average width in excess of 4 ft., the company reports.

* * *

Clarendon Gold Mines reports completion of its first drill hole at 700 ft. on its Joannes twp. property. Several mineralized zones were reported cut with samples sent out for assay. Surface exploration is reported to show shearing and mineralization along the contact of the conglomerate and greywacke indicating the area as favorable for prospecting. The company has also acquired two properties in the Yellowknife district, one at Prosperous Lake and the other further to the north at Quyta Lake.

* * *

East Sullivan Mines has advised the Toronto Stock Exchange that payment has been received covering Feb. 12 installment, comprising an option on 100,000 shares, under the May 25, 1944, agreement, with Federal Trading & Agency Co. Balance of agreement covers option on 800,000 shares with next installment exercisable by April 12. Issued capital is 1,700,007 shares.

* * *

Frobisher Exploration Co. has advised the Toronto Stock Exchange than an additional 12,500 shares have been taken up under June 27, 1944, option agreement. This is the final block covered by option agreement and issued capital is 2,406,089 shares.

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Many recent expressions in financial pages have stressed several points we have emphasized in our Risk Capital series of advertisements which appeared in December 1944 issues of this paper.

As an example, without in any way attempting to associate it with the business of this firm, we quote a brief extract from the statement made at the annual meeting of the Bank of Toronto in January of this year, by the President, Mr. F. H. Marsh:

"I am not sure that full appreciation is accorded the vast empire of mineral resources with which Canada is endowed. From coast to coast across this country, the mining industry is becoming more and more important as a prime factor in the nation's economy.

Gold, platinum, radium; the base metals — copper, nickel, lead, iron and zinc; the non-metallics — oil, coal, asbestos and salt, have been wholly responsible for the many new mining communities now dotting formerly uninhabited areas. This great expansion of industrial energy requires transportation, power, population, wages, supplies, and in return will add vital substance to the lifeblood of the nation.

There will be in Canada and the United States a great deal of venture capital available for investment during the early postwar period, substantial amounts of which will no doubt be attracted to Canadian mining.

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Copies of our booklet, "The Intelligent Employment of Risk Capital," may be obtained on request without obligation.

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New Ore Uncovered By Hedley Mascot

The new low level tunnel started some months ago by Hedley Mascot Gold Mines has reached an ore body at a distance of only 500 ft. from its portal in the Zeerust claim, Victor Dolmage, consulting engineer, reports in a progress report. Two samples showed 2.5 ft. averaging 0.68 oz. gold and 2.5 ft. averaging 1.28 oz. gold per ton. The same body was cut by a diamond drill hole 15 ft. to north of the tunnel running 0.43 oz. across 4 ft.

The tunnel has been driven a distance of 1,000 ft. being known as the 3,700 level and is 600 ft. lower than the 4,300 level, which has been, until recently, the lowest working on Nickel Plate mountain.

The mill was reopened Mar. 20, 1944, and has since operated steadily at about two-thirds capacity. A limited amount of work was conducted on the Mascot claim, although development has been concentrated on the new showing.

Harpers Malartic Gold Mines reports completion of plans to conduct a geophysical survey of the whole property preparatory to diamond drilling.

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Ontario	902,291	551,785
Manitoba	165,249	84,430
Saskatchewan	190,137	90,307
Alberta	175,744	116,558
British Columbia	198,362	143,553
Unclassified	....	2,456
Canada Total	2,516,726	1,433,663
Newfoundland	....	7,344
Miscellaneous	....	46,370
Total	....	1,487,377

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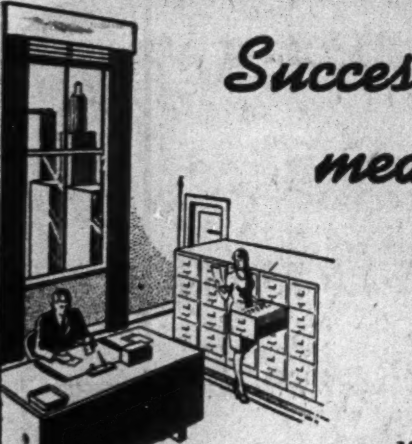

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See B. C. Government In Power Business Soon

Committee Recommends $10 Millions Improvement Program Under Provincial Commission But Offers No Statement on Public Ownership

From Our Own Correspondent

VANCOUVER — Early entry of the B. C. Government into the field of public utilities ownership and operation was foreshadowed when the rural electrification committee's preliminary report calling for expenditure of some $10 millions was presented to the legislature, now in session.

The report, which will be submitted to the proposed commission to be set up by the legislature to deal with the whole question of rural electrification, presents the background and some features of what may well become official policy.

A good deal of interest lies in the prospect of duplication of or at least competition with power facilities of the B. C. Electric Railway Co.

Proposes Works, Not Policy

The committee was concerned primarily with getting the facts; it did not attempt to establish a policy or recommend whether the work should be done by the government, the municipalities or private interests. Eight basic recommendations follow:

1. Request the six large power companies in British Columbia to spend a total of $1.4 millions to extend their rural services and, if necessary, invoke provisions of the Public Utilities Act to force them to do so. (In this connection, B. C. Electric Railway has already announced proposed expenditure of more than $5 millions on country electric facilities.)

2. Appropriate $3 millions to establish power facilities to serve Nanaimo and Duncan. (These two communities are now served by an independent company which has been obtaining power from B. C. Electric. B. C. Electric recently gave notice that it might be unable to continue to supply power there.)

3. Consolidated 23 small power companies in B. C. into a single enterprise with sufficient capital to undertake developments to improve existing services and provide power for additional areas. (The reported investment in electrical service plant in these companies is $2.6 millions.)

4. Improve and repair existing equipment of these small companies, $1 million.

5. Set up 14 new Diesel electric plants or their equivalent at about $1 million to augment the service provided by these small companies.

6. Install new power lines and other distributing equipment at $900,000 to extend the distribution of these small companies.

7. Extend the power plant operated by the Pacific Great Eastern Railway in the Lillooet district to serve additional consumers.

8. Extend 10 municipally owned systems in the province.

The report recommends that the Nanaimo hydro plant project be given priority over other recommendations, but that the purchase of the 23 small companies should not be postponed any longer than necessary. Consolidation of these companies, according to the report, would increase service to 17,000 consumers and would make service available to 3,182 new rural consumers.

The report suggests that B. C. Electric should spend $820,000 to provide service for more than 3,000 consumers in the Fraser valley where it now operates extensively; suggests additional B. C. Electric service also for Kamloops and Vancouver Island. West Kootenay Power & Light Co. is asked to spend $410,000 to improve its service in 17 areas; East Kootenay Power & Light Co., $45,919 for extensions at Elko and Wardner; Consolidated Mining & Smelting Co., Northern B. C. Power Co., and Crows Nest Pass Electric Light & Power Co., minor extensions.

The report is generally noncommittal regarding rates, which it states cannot be specified until the financial plan is determined, and until it is known whether income taxes will be payable under that plan.

Dr. W. A. Carrothers (chairman), Mayor J. C. MacDonald, and E. Davis—all government officials—comprise the rural electrification committee.

B. C. Packers In Rupert Deal

Acquires Interest in Lazard - controlled Can. Fish & Cold Storage Co.

From Our Own Correspondent

VANCOUVER—B. C. Packers Ltd., already the largest fish packing organization on the Canadian west coast, has further strengthened its position as the result of its acquisition of an interest in Canadian Fish & Cold Storage Co. at Prince Rupert.

The plant of Canadian Fish & Cold Storage is said to have the largest cold storage facilities for fish in the British Empire. It operates the year round and at times has handled more than 25 million pounds of frozen fish in a single year. Halibut has usually accounted for about 50% of this volume, salmon 25% and cod and flatfish the balance.

Canadian Fish & Cold Storage Co. has for many years been under the control of Lazard Brothers, international banking house with head office in London. J. A. Boyd, Montreal, is their principal representative in Canada.

Canadian Fish & Cold Storage Co. is not to be confused with Canadian Fishing Co., another large west coast operation which operated in conjunction with the New England Fish Co., an important factor in fisheries operation in Alaska and the United States west coast. Both Canadian Fishing Co. and New England Fish Co. are headed by Al Hager, Vancouver, who is chairman of the board.

The deal is indicative of B. C. Packers' interests in the fresh and frozen product of the fisheries, which has attained large proportions in recent years.

Ymir Yankee Girl Gold Mines is reported planning development on its recently acquired property of eight claims in the Quyta Lake section of the Yellowknife area. The company has approximately 775,000 shares in the treasury for financing work, it is reported, in addition to cash assets remaining after a capital distribution to shareholders a little more than a year ago. The company is also reported to have acquired two placer properties in Alaska.

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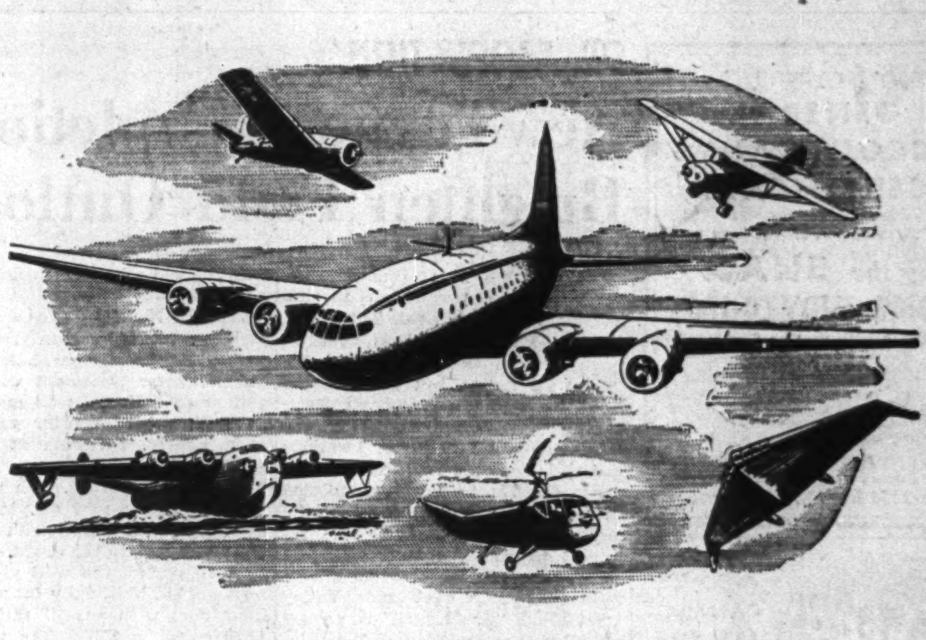

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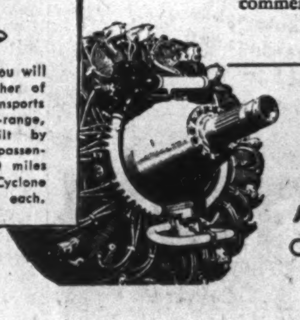

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Tax Tills Bulge In Nova Scotia

From Our Own Correspondent

WOLFVILLE, N.S.—Towns and counties in western Nova Scotia are reporting tax collections that indicate generally increased prosperity throughout the region. Lunenburg town, which has led the province for several years past on taxes collected, broke its own record in 1944, with 99.5% of its current levy paid up. Bridgewater showed 91.75% paid up, Berwick 90.44, Yarmouth 90.

Correspondingly good reports have been made by county municipal councils. East Hants collected 94% of its 1944 taxes, Annapolis 93, Digby 90, Kings 74.

In all towns and counties, good collections were made also on tax arrears. Lunenburg, for instance, leading all towns on current collections, is carrying over in unpaid taxes only $862.

Transterra Mines has consolidated the holdings of five prospecting syndicates, Scarab Yellowknife, Translothian, Little Larder Lake, Redwing Yellowknife and Denmorley. Properties now include a group in the Yellowknife area, one in Midlothian, another in the Red Lake area, a fourth in Privat twp., Que., a fifth in Figuery district, a sixth in Kirkland Lake area and the seventh in Porcupine. It is expected that initial work will be on Yellowknife holdings.

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. . . and then came

A BETTER WAY

Homespun clothed the family in Canada's pioneer days. Only the rich could afford to import cloth from English mills. Well into the Nineteenth Century, the spinning wheel and the hand loom were familiar sights in many a home.

Then came a better way . . . the new spinning and weaving machinery born of the Industrial Revolution. Soon, a flourishing textile industry sprang up—and through the length and breadth of the land, Advertising carried the news of better fitting, more comfortable, stylish clothes.

Today in thousands of stores, Canadians have a choice of fine, low-priced garments and textiles that yesteryear's kings and queens would have envied. And in the columns of The Star Weekly, advertising marches on—announcing, showing, describing each new miracle of the craft.

Clothing is "a family affair", and that's why the industry's leaders advertise in Canada's greatest family weekly . . . to cover with this one publication alone over 50% of ALL the English-speaking families in Canada's rich urban centres!

Style note that spells SALES! . . . 82% of the women in 750,000 STAR WEEKLY homes tell us they read the Fashion Page every week.

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